

MEDIA: Wall-to-Wall TV News • BUSINESS: Dark Days at Philip

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WEEKLY NEWSMAGAZINE

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MARCH 2, 1998

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SPECIAL REPORT

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The huge Hamilton-based waste-management company was on a roll until a series of financial setbacks. A Maclean's investigation examines the firm's problems and its recent environmental failings.

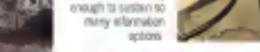
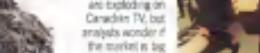
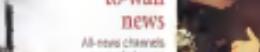
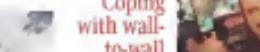


10 YEARS

Mastering route to Olympic glory



Still longing for hockey gold



60

Coping with wall-to-wall news

All-news channels are taking on Canadian TV, but analysts wonder if the market is big enough to sustain so many television options.

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58 Calling all sailors

Retired engineer Herb Higginson's home in Burlington, Ont., is filled with trophies and awards honoring his hobby—forecasting daily weather reports from his basement to sailors in the Caribbean.

From The Editor

This helped federalism?

Finally, Prime Minister Jean Chrétien, Justice Minister Anne McLellan and Puis C. Mithani Singhwan Dua know something that the rest of us do not. What they know is how the federal government's decision to refer the Quebec independence case to the Supreme Court of Canada somehow has helped the cause of federalism. It seemed like risky business in September, 1998, when then Justice Minister Alain Rock announced Ottawa's plan to challenge Quebec's *Charter*. By last week, the bid seemed downright foolhardy as federalists quaked with two trials—one in court, the other in the country. Ottawa managed to give new life to the separation—all the while, adding Chrétien's future reformists a alters against him and leaving a profound disagreement that the federal government is playing politics in the highest court in the land. It was not a good week for federalism—or for Jean Chrétien.

James Prentiss

Newsroom Notes:

Magneto's legacy

For the Maclean's staff covering the Winter Olympics, there were the highs and lows on ice and some—but there was also the remarkable organization of the Magino Games. Photo Editor Peter Ihogni recalls that a day after his colleagues left, a deposit of fine



Power in Action: The Best

MATERIALS AND

McLaren said he was unable to comment on Precious Metal's distress. "It was reported to

bins and boxes at one event, organizers taped garbage bags at photo positions for an exercise in Olympic recycling. "It was the best organization of media space yet," says Bregg, covering

his fifth Olympics for the magazine. Sports Editor James Gleeson was impressed by the camaraderie among all the Canadian athletes, while Ottawa Editor Bruce Macdonald said despite the Canadian's dismal showing, "it was special to

see such great hockey up close—that is worth coming around the world for." In Toronto, Executive Editor Bob Leon oversaw the coverage, Associate Photo Editor Kristine Ryall kept on top of the Visuals flow of images, while Art Director Neck Burnett supervised the design.

Media coverage

In addition to his biweekly column, *Backstage*, Anthony Wilson-Smith this week begins regular coverage of the media beat with a piece on all-news TV (page 60).

Some people
can buy
their way
out of anything

Except

the past.



**NEWMAN
SARANDON
HACKMAN
TWILIGHT**

PHOTO COURTESY OF CHUCK WOOD

PAR MÉDIATION SOCIALE S'APPROPRIER LA GÉNÉRATION T CHAQUE STAGE DE VIE EST UNE OPPORTUNITÉ

MARCH 6

Only Polaroid has a digital solution

that makes identifying a fossilized *Bovidae bos taurus*
in the foundational excavation of a \$137 million
construction site

this simple.



1:32 pm

A backhoe operator who projects foreman Bob Schler believes could be a 150-million year old *Spiriferites* along with a potentially costly 4-month construction delay. He snaps a picture with his Polaroid instant camera. Not bad! Didn't you think?

1:39 pm

Bob scans the photo using the new Polaroid DirectPhoto software and his own acumen. With DirectPhoto, using your scanner is really simple.

1:41 pm

With just a few simple clicks, Bob attaches the picture to an e-mail and sends it to a University of Toronto paleontologist.

2:19 pm

Mary Donatelle, Ph.D., picks up her e-mail along with the fossil photo that comes in an easy-to-print digital software. So even though Dr. Donatelle doesn't have DirectPhoto, she can still closely examine the picture's details.

2:25 pm

Dr. Donatelle phones Bob at the worksite. It's a nice picture – of a cow's head.

2:34 pm

Work resumes. But not before the boys put together a little tribute using Polaroid's own Inkjet Photo Paper. Nice print too. And for what could've been a complex task, Polaroid made the digital solution really simple from beginning to end.



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www.nagano.olympic.org

Women's hockey will be the only milestone this year in Nagano. 1998 marks the first time that the Olympic Games have been held during the Internet era. In keeping with our status as an Official Worldwide Partner, IBM has built and powered an Official Nagano Olympic Website.

More than a place to source everything from real time results and event schedules to rules and trivia, the website is your personal connection to athletes via FanMail.

Whether it's Nancy Greene, Diana Smith or any other athlete representing their country at the Olympic Games, your FanMail will be easily accessible to them through a host of IBM computers located right in the Surf Shack at Olympic Village.

Write to one athlete or a whole team. As often as you like. Just don't forget to write. While FanMail is free, the positive effect your words of encouragement will have, is priceless.

If you don't own a computer or have Net access, simply drop into your nearest IBM Home Computing Store. You can send FanMail to the athletes from there. Free of charge. (For the IBM Home Computing Store nearest you, call 1-800-IBM-CALL.)

* During the Olympic Games, you might not see your favorite athletes on television. But there is one place you can find them. Our website.

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Column



Barbara Amiel

The *real* problem in handling child abuse

In the late 1980s, I worked as a story editor in CBC public affairs television. My work wasn't arduous, but I did uncover a nasty case of child abuse. "Peter" was in the care of a southern Ontario branch of the Children's Aid Society. They had placed him in a foster home where he was tortured by the foster mother. This was not altogether surprising in the foster mother's own first child had been found dead in an outhouse.

She was acquitted of murder in that case, but briefly confined in a psychiatric institution. After her release, I wrote her a letter, where she doped to scalding water and scoured her face from the shower and while beating him with a wooden stick with nails in it. After the death of our child and the torture of the second, the CAS was in the process of sending off yet another foster child to that same mother—until our CBC film crew began to wonder much of a journalist at the time, but I tried very hard to get access to the file about Peter and the decision-making process that had sent him to such a woman I couldn't.

I remember Peter's small white face every time I wrote about child abuse. These days, different sorts of cases are surfacing. In Britain, several dozen parents in a small village are going to jail for the removal of their children. In a separate incident in Bristol, a mother took her son, who was on anti-conversionist medication, to the hospital for observation. Doctors decided that somebody had overfed the child—he didn't know who, he said, but that was part of his business. To be safe, he took action and removing the child from its mother. What she was never told was that the son continued having up to seven fits a day in hospital. The boy was sent to an adoptive home where he was abused—badly, I suppose, for the mother, or else she would never have got him back. The abuse case led to a suspension of the file and four years after his removal, her one-year-old son may finally come home.

Now in British Columbia, we have the maddens in Quesnel, B.C., who are demanding that the province's ministry of children tell them why 71 little children were taken away from them. The very existence of the children's ministry, in fact, is the consequence of another case, that of Matthew Vaudreuil, who had been seen by more than two dozen social workers, 24 different doctors, and died in 1990 at the hands of his mother when he was five years old, having eleven fractured ribs and weighing 36 lbs. Police outcry over the negligence was so great that in the wake of a judicial inquiry, the case review ministry was dismantled and replaced by the children's ministry—same outfit, new name, new guidelines.

The confusion today is that the maddens in Quesnel is the result of the old regime that had cases ruled bad law. The Vaudreuil case was a terrible blunder, but the solution was not rational. Clearly a

number of people in the child protection business didn't do their duty to Matthew, which the law simply enabled them to do at the time. The political response to that negligence was to allow the same class of people to have the same unfettered discretion, but on a different principle.

The original set of guidelines told child protection workers (doctors, social workers, bureaucrats, etc.) that the overriding state interest was to keep families together except in extreme cases. Since they had all proved so foolish and inept at exercising good judgment, the guidelines were changed to give them even more power. Now, the overriding state interest would be to resolve matters in the name of intercession by these folks.

How can we help our children? Any certified society has to have a mechanism with the power to interfere in family matters when children are involved. But the laws must be on the state to justify that interference, and to make it accountable. I think we begin with one basic reform: making the process transparent. Confidentiality and secrecy serve the interests of no one but the bureaucracy. The sealing of court proceedings allows negligence to be covered up. Social workers and bureaucrats don't have to answer anyone's questions, and as normal investigation of their practices can be made.

If we want to make sure that in certain circumstances or places are not published, that can be achieved by requiring the media to use pseudonyms or pay a heavy penalty of law. The identity of an abused child can be protected. What we should not allow is a bureaucracy to hide behind a confidentiality rule to protect its interests. This bit of common sense seems too apparent to day to receive widespread recognition, as even in the instances of our mainstream institutions such as the CSC, Sault Ste. Marie, Madina's, and The Globe and Mail. Commenting on the Quesnel situation, the Globe pointed out that "incest stories and other obscenities must remain confidential." It's hard to say whether the authorities have overreacted or not. Perfectly true, but the Globe does not give the answer to illustrate how Gordon had, himself, in consequence, "authorities must begin to act at the first sign of trouble. Keeping families together may be an important state interest, but cannot be the primary one. Children are, it's a defined balance. But more benefit of the doubt belongs to the children alone."

It sounds very motherish, but it's true. If the rules require respecting everything about these cases to remain confidential, who weighs the "factual balance"? The media can't even act as a watchdog, as I once tried to do, because of the secrecy rules. In all these cases, the "benefit of doubt" doesn't go to the children, but to bureaucrats who acquire an almost unfettered discretion. The Globe may be ready to give carte blanche to some new Ministry of Love to rule over Canada's families, but I wouldn't.

The state must be accountable when dealing in family matters. Secrecy and confidentiality only serve the bureaucrats.

Opening Notes

Edited by TANIA ZARINS

The highlight of
a Whistler
celebration:
more marijuana
smoking

Will Ross find his pot of gold?

Olympic gold medalist Ross Rebagliati cannot escape the cloud of controversy over his marijuana use. Last week, the 26-year-old snowboarder was fined \$1,000 after he tested positive for him and admitted to Ross' use in his home. He then flew to Toronto to sign a deal with International Marketing Group, a global sports agency. But the days continued without Ross. Rebagliati was accused of lying about his drug use by the International Olympic Committee's medical officer, Prince Alexandre de Merode. Rebagliati's lawyer says he has not smoked since April 1997, saying that standard drug tests from his December visit detected extremely high levels of marijuana in his system. Rebagliati continues to stand by his earlier statement that he was "suspected to be seconded another at a party in January."

The incident has not been a revenue bonanza. His father, Mark Rebagliati, 64, told Maclean's that he was summoned to Vancouver's Little Italy. Dressed after Ross, then age 10, had jumped a flight of stairs on his bike. School officials were worried that other children would copy him and get hurt.

Fans that India will be influenced by Rebagliati's association with pot may now affect his ability to sell his image. While others are rolling in corporate cash, he has not been far from agent paymaster Ross. His pot of gold may depend on whether certain companies want to be associated with the other kind of pot.

Disarming the British 'lager lout'

That proverbial pub-bellied by generations of British pub-goers is about to change. It will soon be served in a range of tempered glass, six times as strong as the conventional variety. The new vessel is expected to curb injuries inflicted by a pint glass widely known as the "lager lout." In most cases, this is a young man with a penchant for violence and his weapon of choice is a shattered glass. The result, according to the Home Office's Office of Statistics, is between 3,400 and 5,500 injuries, or them serious—a year. British health authorities have long advocated the introduction of tempered glass. Unlike conventional glass, tempered glass shatters into jagged rather than jagged razor sharp shards. British brewers, however, also control the majority of British pubs within two years.

Cupid goes P.C.

What started as a single Valentine's Day decision caused a lot more sparks than expected at Vancouver's Langara College. A horse-trade poster showing the silhouettes of a man and woman kissing led to student complaints that it was "homophobic" and could offend gays. In response, the dean of student and educational support services, Valerie Bonner, who ordered the poster taken down. This caused another uproar on campus, with political correctness was put at control



Pub patrons: safety glasses for knucks

and raised the governmental pressure on economic grounds. That attitude recently shifted when British Prime Minister Tony Blair threatened to legislate the changes. Bonner went to have "new locks" installed, commented a senior official from the Home Office. "The brewers have now accepted that, despite the initial cost, the use of tempered glass does make economic sense because it lasts longer." The new glasses are expected to be in all British pubs within two years.

Teeny-weeny esthetics

The edge "trainees" is currently being treated at the Art Gallery of Ontario in Toronto. At The Threshold of the Visible is a marvel of minuscule art work, on display until April 22. The 50 pieces, dating from 1964 to 1996 and assembled by Independent Curators Incorporated of New York City, include small-scale paintings, photographs and sculptures measuring less than 10 millimetres. Artists include Canadian Elizabeth Lefebvre and rock-world legend Yoko Ono. "The idea was competing," says Joanne Bradley, cura-

tator of contemporary art. "It was intrigued by the notion of the miniature scale." Some of the artwork is so small it hangs the naked eye a portion mounted on a spool of thread on a horsehair thread through the eye of a needle and displayed under a magnifying glass and a photograph measuring less than one centimetre. After Bonita, the exhibition will visit Windsor, Ont., and next year travel to Edmonton. "People have been really looking, and then laughing," says Bradley. "It's extremely humorous and joyful irony—that's the pleasure of the show."

land Elementary School. "The change is not meant in any way to disrespect anyone," replays school board trustee Sally Fallon.

"The parents have wanted a saint as a patron." Such changes of heart are not unknown. NASA's Florida Launch site, Cape Canaveral, was renamed Cape Kennedy in 1963 in memory of the assassinated president, but reverted to its original name a decade later. At least in Massachusetts, Pierre Laporte's memorial lasted 18 years longer.

Time to forget

After Quebec's October Crisis of 1970, several schools were named in honour of Pierre Laporte, the provincial cabinet minister slain by separatist kidnappers. But in the Toronto suburb of Mississauga, the site has apparently come to fruition on. When Pierre Laporte Elementary Catholic School reopens in September after a major renovation, it will have a new name: St. Margaret of Scot-

BEST-SELLERS

- FICT FICTION
- 1. *My Sweet Louisa*, patti callahan (3)
- 2. *Reindeer Games*, Michael Lewis (2)
- 3. *The Unhoneymooners*, Jane Green (3)
- 4. *Urgency*, Ping, Corinna Cleary (3)
- 5. *Sophie's Choice*, Hannah Rosin (3)
- 6. *Brooklyn Letters*, Ted Master (3)
- 7. *Carrie*, Stephen King (3)
- 8. *The God of Small Diseases*, Amos Oz (3)
- 9. *Warrior's Way*, Jon DeCicco (3)
- 10. *Gone Fishin'*, Elmore Leonard (3)
- HISTORICAL
- 1. *Empire of the Winter Sun*, John le Carré (4)
- 2. *Angela's Ashes*, Frank McCourt (3)
- 3. *The Milkweed Beet Boys*, Thomas Flanagan and William Soukoreff (3)
- 4. *Hearts of Stone*, Alexander Trocchi (3)
- 5. *The Rock Solid*, Garry Shteyngart (3)
- 6. *Reckless Abandon*, Sophie Kinsella (3)
- 7. *Reckless Abandon*, Sophie Kinsella (3)
- 8. *True West*, Mark Haddon (3)
- 9. *True West*, Mark Haddon (3)
- 10. *Mrs. King*, Charlotte Gray (3)
- 11. *Craving* (with The Fat Ladies), Joanne Fluke and Caren Stach (2nd edition) (3)

1. Postmedia Network. Compiled by Bruce Johnson

POP MOVIES



A 16th-century call girl

Set in 16th-century Venice, *Dangerous Liaisons* is the tale of Valentine (Catherine McCormick), who can't afford her luxe lifestyle due to a parsimonious family. Her mother (Jacqueline Bisset) turns her into a courtesan before Valentine leaves for a courtship that will take her to the top of the social ladder.

The review in *Entertainment Weekly* according to her office receipts during the seven days that ended on Feb. 18 (the number of screeners shown):

1. <i>Team</i> (3D) (1)	\$0 461,600
2. <i>Saints</i> (3D) (2)	\$21 361,000
3. <i>The Wedding Singer</i> (2003) (2)	\$17,361,000
4. <i>Good Will Hunting</i> (1997) (2)	\$16,900,000
5. <i>Aladdin</i> (1992) (2)	\$15,900,000
6. <i>Die Hard With a Vengeance</i> (1995) (2)	\$15,800,000
7. <i>Great Expectations</i> (1946) (2)	\$14,600,000
8. <i>Saints</i> (2003) (2)	\$13,200,000
9. <i>The Bourne Identity</i> (2002) (2)	\$12,900,000
10. <i>LA Confidential</i> (1997) (2)	\$12,600,000

source: boxofficemojo.com

Passages

CONVICTED:

Vernon Baker, 59, of Inwood, in Regina, was found guilty of taking payoffs of more than \$22,500 by making false claims on his communications allowance during the 1982-1991 administration led by premier **Grant Devine**. Baker, the 12th Saskatchewan Tory to be convicted of fraud, will be sentenced on April 16.

SHOT! One of the first women war reporters, Martha Gellhorn, 89, in London. Gellhorn started out covering the Spanish Civil War in the 1930s, and continued to work as a war correspondent into the 1960s, reporting on the conflict between the government of El Salvador and leftist guerrillas. She was married three times, including to author Ernest Hemingway. An acclaimed writer, her books include *The Hanged People* and *The Islands I've Seen*.

BIGGIE! Longtime baseball broadcaster Harry Caray, 77, of brain damage suffers died during a heart attack, in Rancho Mirage, Calif. This career of the Hall of Famer broadcaster spanned close to 60 years, most spent with the Chicago Cubs and White Sox. His broadcast was among *Baseball*'s most popular in the seven-month stretch.

BROADWAY! Broadway composer Bob Mowat, 77, from a self-inflicted gunshot wound, in Los Angeles. Mowat's musicals include *Funny Girl*—later made into a 1968 film starring Barbra Streisand—and *Convict!* He had been suffering from prolonged depression.

CONVICTED: Prince Minister Jean Chretien's adopted son, Michel Chretien, 29, of assault, after throwing tobacco rolling equipment at a former girlfriend and accidentally hitting her six-year-old son, in Regina. He received a nine-month suspended sentence after pleading guilty.

HARRIOR! Hollywood star Sharon Stone, 59, and San Francisco Examiner executive editor Phil Grammaticas, 47, in Los Angeles. It is the second marriage for Stone, who rose to fame with the 1991 film *Basic Instinct*, and the third for Grammaticas.

'A TICKING TIME BOMB'

Quebec politicians step up their attacks on Ottawa's secession case

BY JOHN GEDDIES AND BRENDA BRANSWELL

It was the moment when a bad week for the Liberal government's Quebec strategy got worse. After three days of hearing dry legal arguments, Chief Justice Antonio Lamer began Day 4 by injecting some tough political considerations into the Supreme Court of Canada's hearings on the so-called Quebec referendum. What would happen, he asked, if after a vote to separate, Quebec and the rest of Canada came to an impasse over the terms of separation? Or what if Ottawa and the other provinces refused to negotiate at all? What about the rights of Quebec aboriginals? These and other hard questions forced the federal legal strategy to falter, sending the court to rule on whether Quebec can secede lawfully if the government had hoped for a decision based only on legal principles. Lamer's questions exposed a state that the court plans to consider little friendlier than ever. "The judges seem to be markedly frustrated with some of the answers we've had," said University of Toronto law professor Robert Hébert.

While the federal lawyers faced strong-willed judges at the Supreme Court, their political bosses were under a different sort of pressure two blocks east along Wellington Street on Parliament Hill. Not since the darkest days of the 1985 referendum campaign has Prime Minister Jean Chrétien's strategy for keeping Quebec in Canada's map under such sustained attack. Chrétien's tactics already have won some leading Quebec leaders against their decision to seek a court ruling that Quebec cannot secede unilaterally. But bitter criticisms from Quebec Liberal Leader Daniel Johnson and federal Tory Leader from Quebec took it to a new stage.

The Bloc Québécois exploited the discord in the federalist camp by pointing, in the House, at green-handled Stephen Duce, minister for Aboriginal Affairs and Northern Affairs, and Chrétien's prime ministerial office, as Chrétien's primary man in the Quebec project, could only hope, the legal substance of the case would render the political agree. "After the sound and fury of the like handied down, the arguments will still be there. Then said "And Quebecers will hear them."

But they will not hear exactly the arguments Duce had in mind. The government's lead lawyer, Yves Fortier, pleaded with the court to assert simply that the Constitution of Canada would continue to apply even if Quebecers voted to separate. Under the Constitution's amending formulae, that could mean unnecessary provincial consent is needed for legal secession. Lamer's questions, however, pushed beyond the government's narrow request for broader political questions—including Aboriginal rights and even the possible fate of Quebec. "The court is almost certainly going to decide this issue on the technicalities," Hébert said. On the other hand, there is little chance the court will accept the Quebec government's view that



Protesters outside the Supreme Court—strong-willed judges

separation is a matter of pure popular politics in which the court has no say. Beyond that, a wide range of outcomes are possible in the judge's view, including the possibility of separation before June.

Still, Liberal officials say they are confident that any decision will ultimately strengthen their hand—by showing that the result of voting to separate would involve complex and potentially divisive matters such as negotiations with minorities, or an expense with the federal government over the financial terms of separation. "We never believed the impact of the reference was going to be in the few weeks the court was hearing the case," said a senior official in the Prime Minister's Office. "But during the next referendum campaign, when Quebecers go to vote, they are going to know the consequences of a Yes vote. And that will

cause them to think twice." Far more, though, may be federal Liberals who are orchestrating their approach. Up to a federal cabinet minister from Quebec, who failed to be named, and the government should have come up with a more aggressive strategy for exploiting the Quebecers' reasons for seeking the relevance of the court.

In the province, pundits were hoping optimism on Ottawa's strategy. "The Supreme Court isn't the place to resolve these purely political problems," declared Alain Dubois, the militia chief of Montreal's Le Phénix, who accused the Chrétien government of having the court as a "ticking time bomb." Other critics said the case will only help Touchard build momentum in a run-up to a provincial election later this year. "Quebecers see the Supreme Court ruling not so much an opportunity to close up the legal consequences, but as a play by the federal government to use the court politically to

block those who want to allow people in Quebec to choose their own future," said Charest. "That's the bar Burton [Lucas] Touchard is hitting."

Making the political case for referring the issue to the court is an easy task. At the start of his presentation, Fortier took pains to emphasize that the federal government was not challenging Quebec's right to pronounce on their future or hold a referendum. All Ottawa wants the court to decide, Fourier said, is that any political choice must be exercised within the existing constitutional rules. But that is a subtle point compared to Touchard's fiery thesis about Ottawa attempting

to undermine Quebecers' freedom to choose. According to Desmond Morton, the director of McGill University's Institute for the Study of Canada, Touchard's appeal in the democratic will of Quebecers over the first points of constitutional law is bound to find a ready audience. "Quebecers hate the message that they have no right to decide their own future," says Morton.

How long Touchard will ride the wave of indignation generated by the case remains to be seen. His government showed more signs last week of trying to consolidate its support in anticipation of an election, which is expected by fall at the latest, which would be four years into its mandate. Among other moves, it injected \$15 million into the health-care system after an outcry over hospital overcrowding. But with the court just expected to rule for several months, and some observers predicting a summer decision that will quell at least some of the outrage in Quebec, Touchard's best opportunity for maximum impact from the most likely a spring vote, before the decision is rendered. So far, the Parti Québécois appears to have public opinion on its side. A recent poll showed 78 per cent of respondents thought Quebec's independence vote should proceed over a Supreme Court ruling. Still, the case did dent national Quebec's popular radio call-in shows or nightly newscasts. In fact, much of the noise generated against the reference likely came straight from voters already committed to the separatist parties. The PQ staged a protest rally Friday night in Montreal before its weekend meeting, and the Bloc held a flag-waving demonstration in front of the Supreme Court last Monday.

On the federal scene, the Quebec reference has already had what looks like a lasting impact. With the National party supporting the government's decision to put the separation issue before the court and the Conservatives staunchly opposed, the question has percolated in the coffee of the "other side" movement. But the most bitter personal exchange on the issue was between Chrétien and Clément. Someone who believes in Canada should not vote with those who want to break up Canada." Chrétien said after Chrétien's Tories voted in favour of a Bloc motion inserting the right of Quebec to decide its own future. Yet Chrétien insisted that when it comes to another referendum, federalist leaders will close ranks, as they did in 1995. He even claimed that morale is a sign of strength in the pro-Confederation side. "There is a very healthy situation that there are people who have different perspectives on this," Chrétien said.

For now, the most closely watched debate—in the absolute privacy of the Supreme Court's conference room. While the political heat of their questions has now suggested they will stick to Ottawa's script for a narrow, legalistic debate, the judges also gave the separatist side cause for concern. For instance, Quebec City lawyer André Jobin—concern who was appointed by the court to argue for an independent point of view when the Quebec government refused to participate—dared uncomfortable questions on devolution within Quebec. Seizing on remarks from Jobin, Charest seemed to suggest Quebec's separatists could be divided into two camps. "I would say that one camp would be us—the nationalists and French-Canadian people who live in Quebec to the exclusion of all others," Jobin said. "Lévesque promised to deliver a written assurance that the right of secession belongs to the Quebec people as a whole, but that the right of minorities in the province stand short of the right to secede. With the court phrasing the main contentious issues, the political and moral surrounding that will's the hearings may merely have in the way of a bigger explosion when the final judgment is delivered."



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CANADA

Face of a nation

Statistics Canada's groundbreaking report on ethnic origins and visible minorities had barely been released, and already television executives at CFMT International were busy creating numbers. A lot was at stake. The station broadcasts in 22 languages throughout southern Ontario, and the Statistics Canada report shone a revealing spotlight on its target audience. For instance, the station learned that fully one-quarter of Quebec's visible minority population is Chinese—about 325,000 people in total. Keeping the size of the market is important for handling lucrative commercials aimed at particular ethnic groups, says Madeline Zurek, the station's vice-president. "Therefore," she adds, "we will continue with advertisements aimed to communicate with these communities."

Statistics Canada's snapshot of Canada's ethnic makeup will be a boon to business people like Zurek. But not everyone is pleased. The controversial report, based on the 1996 census, is the first in Canadian history to ask so precise and sensitive a question about visible minority status. Few people asked themselves questions such as, for example, Chinese, Filipino, Vietnamese. Some of the findings: more than one in 10 Canadians—11.2 per cent, or 3.7 million people—identify themselves as a visible minority; of those, 39 per cent were born in Canada, the most numerous were the Chinese (694,000), or 21 per cent of all visible minorities, followed by South Asian

(571,000, or 21 per cent) and blacks (574,000, 18 per cent).

Statistics Canada says the data are needed to enhance the Employment Equity Act, which tries to ensure visible minorities have access to jobs under federal jurisdiction. But MP Devaki Chakrabarti, the Reform critic for citizenship and immigration and an opponent of the act, says Canada is becoming dangerously like the United States, where everything from his background are tabulated along race lines. Chakrabarti, an East Indian born in Tasmania, also says that using Statistics Canada numbers to ensure fair hiring practices will only stimulate resentment and prompt people to ask, "Why is this group getting special treatment?"

More political jostling resulted from rather unassisted findings in Quebec. For the question about a person's ethnic origin, Statistics Canada found for the first time listed "Canadian" as a possible choice, among others such as French, English, Mexican, and Portuguese. Across the country, almost one in five respondents, 19 percent, and four-sevenths was exclusively Canadian. Another 17 per cent and British Isles. But in predominantly French Quebec, only 29 per cent of the province's residents identified French as their roots, while a surprising 38 per cent said their background was Canadian. Some federalists quickly noted that perhaps Quebecers had developed

**StatsCan
reveals a
changing
population**

Reader's Choice, a groundbreaking report on ethnic origins and visible minorities

open a suddenly love affair with Canada, a suggestion that Bloc Quebecois Leader Gilles Duceppe quickly laid to rest down. "They're trying to play politics with Statistics Canada just like they're trying to play politics with the Supreme Court," Duceppe said last week as the high court considered Quebec's right to federate independence ultimately. "This is very childish."

Whatever a person might call it, the report altered Canadians' understanding of ethnicity and unprecedented look at the nation. While the 1981 census identified "colored" persons, and the 1991 census designated a person either white, black, yellow or red, the 2001 accounting of the population was much more specific, asking people to identify themselves as one or more of 10 categories, including the following: Chinese, South Asian (such as East Indian, Pakistani, Punjabi, Sri Lankan) and Black African, Hispanic, Latin American, Somali and so on. (Canada's 3.1 million aborigines were tabulated separately.) The report concluded that virtually all visible minorities (94 per cent) live in metropolitan areas, mostly in and around Vancouver, Toronto and Montreal. Among Vancouver's visible minority population, nine out of 10 were Asian, with Chinese the largest group. Montreal was found to be home to 82 per cent of Quebec's visible minorities, with St. Lucie—many of them Haitian—the city's largest group.

Not surprisingly, that statistical segregation of the population has captured as foes among some critics that Canadian society might be on its way to mimicking nations like wedlock, fraud and crime. Paganini figures as visible minorities could be cross-correlated with crime statistics to see whether a particular minority was committing a disproportionately number of offenses. But Bruce Chambers, chairman of the multicultural liaison committee of the Canadian Association of Chiefs of Police, says law enforcement officials are not about to do that.

"I think that just looking at people by the color of their skin or their country of origin might be a very simplistic approach to analysis of crime statistics," Chambers says. "There's a significant number of other variables that need to be addressed, including addictions and poverty." A better use, says Statistics Canada analyst Vivian Broad, would be to cross-tabulate population figures with education needs or accessibility to disease, thereby leading to better teaching programs and health care. "Data," Broad adds simply, "are needed." But the danger with numbers is that they can be used to say many things.

DANTELO HAWALEHESKA



Preparing among
visible minorities

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Bruce Wallace



Political power play

Politicians temper with sports at their peril. Think of the damage one dropped football did to Ed Stanfield or how ridiculous Richard Nixon looked standing in a pie from the White House bench for the Washington Redskins to use in the 1973 Super Bowl. (A difference of degrees, of course, Nixon's play lost the Redskins a few yards.) Stanfield's farce was a disastrous blunder for him in the 1974 election campaign. Since the worlds of Don Cherry and Jean Chretien seem to share little more than a propensity for tortured syntax, politicians are usually advised to limit their sporting appearances to that ceremonial facet—then to take their seat.

So political cyphers arched last fall when Toronto MP Dennis Mills argued the Liberal government should hold hearings into Canadian sports, including why NHL franchises seem to be heading south of the border. Mills is an energetic, can-do MP—sometimes described as a take-it-easy colleague—who takes his sports seriously. When the Commons' heritage committee met after the June 2 election, the members were around the table, making suggestions on what they should do thus. Parkinson: "They all talked about history, arts, culture—the usual," recalls Mills with a laugh. "Told them, 'Put a cultural worker, too, and my culture is sport.' You should have seen the looks I got."

As a member of the industry committee in 1994, Mills tried to get Parliament to study the impact of sports on Canadian society. But Industry Minister John MacKay shut down his appeal for an inquiry. Too frivolous, he scoffed. Mills returned to the issue after the last election, this time causing the proposed inquiry in ways that his freshly elected colleagues could understand: sports is a matter of finance and professional sports play a "financial role in the Canadian economy," says Mills, but no one knows just how big it really is. "We don't treat the film industry as frivolous," he says. "We don't treat fashion that way." He got his subcommittee, and hearings began in December.

But there is another explanation for the Liberals' willingness to dig the tentacles into the sports world: Ottawa is hungry for new, gov-

ernative ways to show the federal government's relevance to Canadians. Since the Liberals came to power, hockey teams have quit Quebec City and Winnipeg for US cities—and Education's currently hawks by a deadlocked status quo. A federal inquiry sharing Ottawa's concern for preserving the Canadian stage in the NHL offers delicious political beef.

"The PM loves that," says Mills. "One of the greatest unifying agents we have is sport."

Finance Minister Sheila Copps echoed that in Niagara, saying the Liberals "are sports as an important part of nation building."

The Mills committee aims to offer recommendations in June. Those may include a national sports lottery to fund amateur sports, a power that would muscle into the provinces' control of lottery. But the committee is guaranteed a high profile in early April when NHL Commissioner Gary Bettman is expected to visit Ottawa to testify about the league's future in small Canadian markets. The commissioner's appearance will come soon after Mills decided whether the Oilers will stay in Edmonton, raising the possibility that he will arrive in the charged atmosphere of another Canadian frac-

ture preparing to head south.

The NHL is circulating a questionnaire among owners to get some data on the impact their teams have on local economies. Mills clearly expects the news to be good, and wants to highlight what he sees as the positive story the NHL has to tell. Bell Delhaize may have a surprise or two for the pHs—chefs. He has always been polite about the need for the league to retain its Canadian element. But the NHL executives feel strongly that they are angrily blamed for hockey's Canadian troubles. They argue that it was the Alberta government's insistence on raising owner Peter Pocklington's loan that got the Oilers franchise in peril. They complain about high Canadian taxes and insist that Ottawa keep its dollar low to help Canadian exports, making it more expensive for teams to operate in Canada than the United States. The Liberals have won the Mills committee as a way to look good on national unity. But they risk keeping a contentious view that it is their fiscal policies that are really dragging the Canadian game.

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MARTIN'S SHIPPING NEWS

Blue Quillers, Berg HDP and Reform MPs joined forces to accuse Finance Minister Paul Martin of an apparent conflict of interest. Martin is currently sponsoring a bill to amend the Income Tax Act. The MPs say a provision on the bill could benefit Martin's company, Canada Steamer Lines Inc., now in a blind trust—and they want a parliamentary subcommittee to investigate. The Liberals rejected the claim.

GOING, GOING . . .

The on-again, off-again attempt by Edmonton Oilers owner Peter Pocklington to sell his NHL team to Houston businessman Alex Alexander now appears back on track. The bank handling the sale, Alberta Treasury Branches, accepted Alexander's \$119-million offer. Local investors have until March 13 to raise the money needed to keep the team in town.

HALIFAX WAITING GAME
On Feb. 27, Judge Hughie Rendell ruled a whaler reintroduced by Dr. Francis Morano should be tried for the bludgeoning murder of Paul Mills, a 35-year-old family man patient who died in 1986 at the Victoria General Hospital in Halifax. At the conclusion of Morano's preliminary hearing last week, Rendell faced the possibility of levelling a lesser charge against Morano's administration of noxious substance. The case is expected to ignite debate over the question of euthanasia.

A DEEPENING MYSTERY

Ramors continued to circulate in the case of Myles Neuta, 10, who died on Feb. 12, six days after being found hanged on a school coat hook in Chelmsford, Ont. During an unusual hearing, The Roots' Stan Romanoff said Neuta was allegedly hanged during a game of tag when a leather necklace he was wearing strangled him. Police dismissed the report as speculation.

THE REGAN CASE

Judge Michael McDonald reserved judgment on a prison defence motion to stay all or some of the 55 sex-related charges against former Kieno Beeches peerless Gerald Regan. McDonald's ruling is expected by the end of March. Regan's defence team, headed by Toronto lawyer Edward Greenberg, claims the RCMP and prosecutors have treated Regan unfairly.

Suspension of disbelief in Ottawa

A loosely based by-allegations that it is costing more than a costly parking lot for political hooligans, the Senate endorsed another blow. Three months after Prime Minister Jean Chrétien ousted Senator Andrew Thompson out of the Liberal caucus for a nonattendance, members of the upper chamber finally discovered a way to separate Thompson from his annual \$84,493 per-charge and another \$10,000 expense allowance. In a virtually unanimous vote, 52 of 54 senators (the other two were absent) suspended Thompson for the rest of the current session, without pay, for contempt. There was one abstention and one senator who voted Thompson guilty. Since 1990, when records first began to kept, Thompson had attended only 13 out of 458 sitting days, just enough to avoid outright expulsion. He avoided legal action by filing a suspension doctor's notes attendance by Elmer's extension doctor's notes as a former MP.



Thompson strolling in Munster—suspended

as a 109-acre hobby farm in south eastern Ontario, neighbours say they have frequently seen the feckless-looking Thompson working around his well-maintained properties. The suspension will not affect his \$90,000 senator's pension, as well as a pension he receives as a former MP.

THE POLITICS OF MEMORY

The B.C. shuffle

With British Columbia's economy stumbling, the province bucked it off about a month ago. Premier Glen Clark announced a major cabinet shuffle that left only four ministers unaffected. Chief among the changes was the removal of Andrew Petter from Finance. Former Health minister Jay MacPhail, a sometime labor economist for the B.C. Federation of Labour, takes over the troubled portfolio. The move—made while some politicians were watching over their shoulders—was the NDP's latest move down traditional provincial. Reformers' decision is similar to the business community that the NDP is a serious threat to running the province's economic side. Clark is considering delaying plans for a balanced budget next year, in order to cut business taxes and create jobs. Petter will now head the new ministry of advanced education, training and technology. While Clark said MacPhail "brings a fresh perspective," he also downplayed reports of a rift between him and Petter when they had not been consulted, and worried the Holocaust exhibit would deprive them of space necessary for reconstituting Canada's war effort. The Senate veterans affairs subcommittee held a week of hearings in early February at which both veterans and Jewish groups called for a separate site for the gallery. As a result of the issue's poor handling, which Clarke acknowledged, the board asked senior veterans and military officials to the war museum's advisory committee. "It wasn't a question with us that the Holocaust gallery was wrong," said Cliff Chadderton, chairman of the National Council of Veterans Associations. "It's just that we need that space." Clarke said the board now favors a site devoted exclusively to the Holocaust.

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**NEWFOUNDLAND
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Poised at the brink

BY BARRY CAME

Saddam Hussein, unlike the stirring diatribe of seven years ago, has rarely ventured into public view during the latest crisis in the Persian Gulf. When he has, however, an ominous new element has crept onto his carefully scripted appearance. Invariably, he is surrounded by a chaotic mix of uniformed, effete-looking young men. To the untrained eye, there is nothing special about this gaggle of unruly troopers. But to those who closely monitor his activities, they represent a potent psychological weapon in the Iraqi强人's depleted but still deadly arsenal. For they are a new style of personal bodyguards—barely armed, lightly trained, highly undisciplined. "It is Saddam's way of showing all of us a warning," said former Iraq diplomat Ghassan Altaghi. "He is telling us 'Get rid of me and you will be losers' against the last uncontrollable force, capable of overrunning everything away in a bloodbath of unimaginable dimensions."

It was a message well worth pondering by those in command of the U.S. air and naval armada assembled in the Persian Gulf poised to strike at Iraq if Saddam failed in his cleverious attempt to avert a war. The U.S. secretary general was trying at the weekend to achieve what his predecessor, Javier Pérez de Cuellar, could not on the eve of the Gulf War in 1991. Annan carried with him a proposal that senior diplomats accompany UN arms inspectors on visits to sites that Saddam has declared off-limits, provoking the crisis. The Security Council overruled the proposal.

The Security Council overruled the proposal.

The grouped states were huddled in and around Iraq. Should US-led raids against Iraq succeed in the untested but apparently objective of dismantling Saddam's security apparatus enough to spark an insurrection, Iraq's people could face prolonged civil turmoil at least as ugly as occurred after the 1991 Gulf War when Saddam's Republican Guard, with remnants of its army, suppressed rebellion in 25 of the country's 18 provinces. "Much blood will flow," warns Laih Nabil, a London-based leader of the moderate Islamist opposition to Saddam's rule.

In the most dramatic scenario, Iraq could well be dismembered by one or more of its neighbors, particularly if Saddam were toppled or if no strong successor emerged. Turkey, wary of the division Kurdish population that straddles both sides of the country's border with Iraq, has already massed 70,000 troops on the Iraqi dem-

and



U.N. peace crew in the Gulf ready an Harpoon missile. Annan (left), April

would secure an agreement to open all suspected weapons sites—Iraq's 22 million people were not likely to see much immediate relief. "If there is a final war it will be short term," insisted Tim Trevor, an analyst with London's International Institute for Strategic Studies and previously an advisor to UNSCOM, the arms-inspection agency. "Almost as soon as it is signed, you can bet that Saddam will basically start to undermine it."

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Fears of global repercussions spur Annan's Iraq peace bid

fer. What the Anans government fears is the creation of an independent Kurdish state in northern Iraq that would irritate Turkey's ever-reclusive Kurds to do the same. It is the principal reason why Turkish President Suleyman Demirel sent his foreign minister to Baghdad last week "to give Saddam Hussein a clear message—the thunderous roar is coming if you do not comply with the decisions of the United Nations."

On Iraq's eastern borders, Iran, too, was mobilizing troops. Precisely why remains unclear. Iraq's ruling clerics, like all other leaders in the region, have denounced a plan for a military assault against Iraq. Early in February, Saddam's son Qusay, in charge of Iraq's all-powerful security apparatus, met with his Iranian counterpart, apparently in an effort to heal some of the wounds inflicted by the eight-year war the two countries fought during the 1980s.

At the same time, however, at least some factions in the Iranian government—including newly elected moderate President Mohammad Khatami—are in the midst of a military rift with the United States. Only last week, an oily sign of a thaw occurred when a U.S. wrestling team arrived in the Iranian capital to compete in a tournament. For the first time since the overthrow of the Shah in 1979, the U.S. flag was cheered in Tehran rather than burned and

trampled. Some analysts speculate that Iran is preparing to exploit the current crisis to reacquire lost influence with Iraq.

Whatever the accuracy of that judgment, it is true that the long-standing American policy of "dual containment," geared to isolating Iran and Iraq, is currently in shambles. In fact, U.S. policy in the region has resulted in a paradox in Washington that you stand in danger of being isolated. With the exception of Kuwait, not a single Arab country is supporting the U.S.-led effort to attack Iraq. Both Bahrain, home base for the U.S. Fifth Fleet in the Gulf, last week withheld permission for the use of its territory to launch air and missile strikes against Iraq, a decision that also complicated Canada's military role in the standoff.

Until the Bahrain change of mind, it was widely assumed that Canadian forces in the Gulf would be based in the island state. Two Hercules C130s were expected to operate out of Bahrain's sprawling Shihab airbase. The third, a CH-148 Growler, in the Red Sea last week, was also heading for the port of Manama, Bahrain's capital. By week's end, however, Canadian Forces headquarters in Ottawa still did not have a clear idea where the Troops or the Hercules, now less supporting troops, would be based.

There was no great mystery behind Arab concern. Bahrain's leaders, like those of most Arab states, feared that if bombs began to fall on Iraq, the ground beneath their own feet would tremble, unleashing waves of popular anger and extremism. Washington's allies in the region are particularly vulnerable. There have already been riots in Jordan. In Iraq, Islamic extremists are promising more suicide attacks. "The man in the street in most Arab countries sees a Justice, an embattled Justice, in American policy," says London-based Iraq exile Sabah Makhzoumi. "The Americans did not bomb the Serbs when they defied UN resolutions. They do not bomb Israel when it refuses to implement UN directives."

That same sentiment infuses a European reluctance, outside Britain, to endorse the U.S. initiative wholeheartedly. Thus, in places solidly pro-West, like France, the message that came from the Americans was heard last week. In the sports arena at Ohio State University in Columbus, Secretary of State Madeleine Albright, Secretary of Defense William Cohen and National Security Adviser Sandy Berger faced a series of tough questions in an "international town-hall meeting" broadcast globally on CNN. Embarrassingly, a small band of protesters disrupted the session with chants of "One, two, three, four—don't want your nuclear war."

The negative reaction in Ohio further rattled members of the U.S. Congress, who have already been wavering on backing a military option. To many, the fundamental problem was the lack of clear objectives. "We don't know what to call this," complained retired colonel William Taylor, director of military studies at the Center for Strategic and International Studies in Washington. "Is it a police action? We have no strategic objectives. We have no policy. There is no definition of victory. We would not know what victory looked like if we got there." For the United States and its allies in the Gulf, this was hardly a clarion call to arms.

PAUL ANDREW PHILIPPS in Washington and LOUISE PARKER in Ottawa



By Andrew Phillips

Power behind closed doors

In meetings in windowless rooms on the third floor of an imposing stone building, its proceedings are shrouded in secrecy. These summons to appear before it, a panel of seven, punishment, may go alone, without lawyers or advisers. They can be quizzed for hours by the team of prosecutors who are allowed to ask about unsatisfactory answers and other details that would not be permitted in a regular courtroom. Not surprisingly, the sedan is often uninvited. Those who have been through it use words like "intimidating" and "Big Brother at its worst."

There are many things that non-Americans find puzzling about the sex-and-Tech scandals swirling around President Bill Clinton. How Americans can simultaneously tell politicians that they believe he is being decidedly economical with the truth in describing his relationship with another White House intern, Monica Lewinsky—and give him approval ratings that are the envy of politicians everywhere. How Americans can reverse the presidency—and spend so much time talking down every voice who holds the office. And why a country with such a fierce dedication to individual rights and more lawyers per capita than any other on Earth relies so heavily on legal muscle like the one meeting on the third floor of the federal courthouse in Washington. Appointed before the grand jury convened by independent counsel Kenneth Starr to look into the Clinton-Lewinsky claims, has been an unsettling experience for Lewis. Lewinsky's mother, Marcia Lewis, found it as hard to take that she emerged adviser-faced—"emotionally overwhelmed and distraught," in the words of her lawyer.

No wonder Lewinsky躲ed from the stress of being forced to testify against her own daughter. Lewis lived according to an equivalent in other countries with a similar legal tradition, such as Canada and Britain. In Canada, the closest parallel is a preliminary hearing, where a judge reviews the evidence that Crown prosecutors have against a person and decides whether the case should go to trial. Lawyers for both

sides are present, the judge runs the show and the rules are close to that of a trial. Not so with an American grand jury, which typically has 23 members. The prosecutor is in charge, and almost anything goes. "You can be doing anything you pick up—rumor, hearsay, the works," says John Barrett, assistant professor of law at St. John's University in New York City and a special prosecutor during Iran-contra, the arms-for-hostages scandal of the 1980s. Witness-

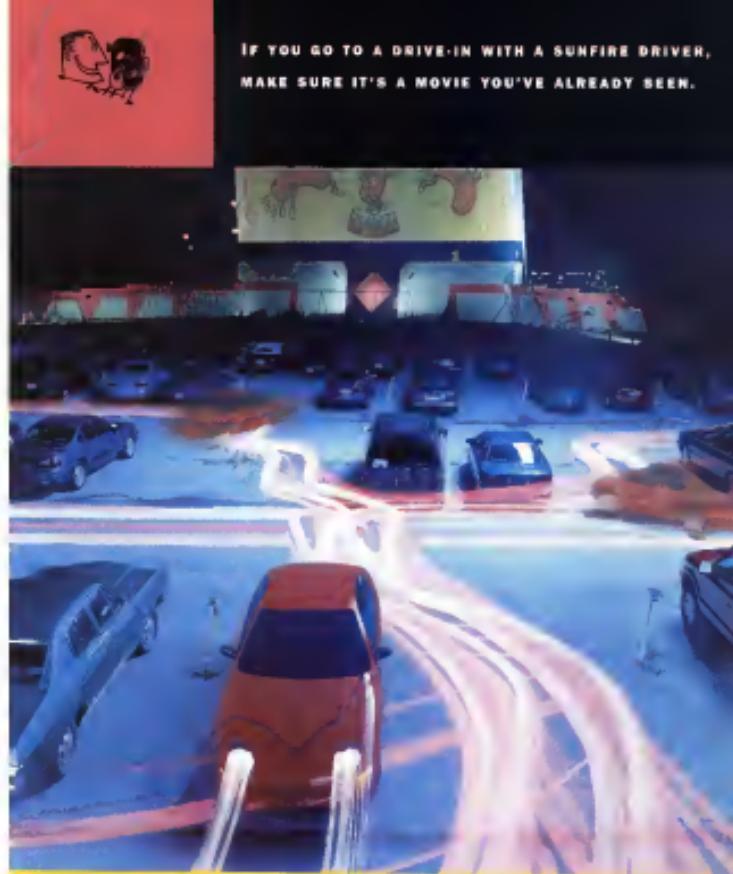
the University of Toronto's law school. "Is that a grand jury will indict a ham sandwich if the prosecutor tells it to?" It is also, says Roach, part of a great American tradition—the prosecutor as crusading crime fighter, with one eye on his political future. Nothing could be further from the practice in Canada, where Crown prosecutors almost always remain anonymous and anonymous. Asymmetric, adds Roach, "are in some ways more robust crime fighters than we are."

The legal power brought to bear by Starr is further increased by another controversial law—the 30-year-old statute that established the position of independent counsel. It is part of the Ethics in Government Act, passed in the wake of the Watergate scandal when an ousted president, Richard Nixon fired Archibald Cox, the special prosecutor who was looking into the matter. The idea was to make sure that future investigations of executive wrongdoing would be free of political interference. Since then, independent counsels have conducted 18 inquiries. When Republican presidents were in the White House, their party rallied against the independent counsel law. It gives special prosecutors virtually unlimited time and money; they complained, to pursue what amounts to an ongoing vendetta (not against the president and his staff). Yale University law professor Akhil Amar calls it "put the crime on the defendant—first you pick the person, then you find a crime to stick him with."

Now, it is Democrats who are the targets—and they do not like it any better. Starr, they say, is a die-hard Republican conducting a political witch-hunt against Clinton in the guise of a legal inquiry. His tactics, they add, are those of a bully. He intimidates witnesses, forces parents to testify against their children, induces confessional testimony to the media, and especially scores friendly witnesses to gather evidence. As Lewinsky's attorney, Ward, Linda Tropp, did to record her graphic tale of an alleged affair with Clinton. The truth may be less dramatic. Starr may just be making best use of the tools that give American prosecutors such extraordinary power.



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WORLD India

Return of a dynasty

Keenc, her feet laden with anklets made of 500 grams of silver each, her tattooed arms encircled with bangles from armful to wrist, stands stockstill in the middle of a crowd. This is the day of joyousness, a state in western India that is one of the poorest in the country, and cars are still relatively rare. "Sonia Gandhi, Sonia Gandhi," shout men. "Karen, who goes by only one name. Then it comes, 'Indira Gandhi's daughter-in-law'" she says triumphantly. Even as an underdeveloped as rural Rajasthan, where there is no industry and female literacy hovers below five per cent, there is no contesting it, the dynasty is back.

Sonia Gandhi, the fiercely private, Indian widow of slain former prime minister Rajiv Gandhi, may seem an unlikely heir to India's most enduring political legacy. The Nehru-Gandhi clan has mesmerized India for more than half a century, producing three generations of prime ministers. The latest chapter in the legacy made her political debut a little more than a month ago, addressing a Jan. 11 campaign meeting only a kilometre from the spot near the southern industrial town of Singurbari where her husband was blown up by a Sri Lankan Tamil Tiger suicide bomber in 1995. Since then, she and her plump sons, children, nieces, 27, and daughter Priyanka, 26, have been drawing large and rapturous crowds all over the country in the current

general election campaign. Sonia has even become a front-page fixture in Indian newspapers, a development that is more surprising because the 51-year-old widow shuns the press. She has granted only one interview in her life, in 1988, to a Hindi-language women's magazine.

The green-faced Sonia's charisma is not immediately apparent. In the four or five campaign meetings she addresses every day, she still casts her speeches as a shrill, shouting voice that rarely varies in tone or pitch. Her Hindi, which she deploys in meetings in northern India, as well as her English, are laced with a heavy Balmi accent. There is no whiff of spontaneity. Her words are mechanical, and her rare smiles appear forced. But her speeches, written out phonetically in the Roman alphabet even when delivered in Hindi, are crafted to extract the maximum sympathy from a mostly semi-literate electorate, and to seduce those who argued that her foreign birth made her an interloper in Indian politics. "I stand here today on the soil made sacred by the blood of my husband, who died a martyr to the cause of the nation's unity and integrity," she said at Singurbari. "I stand here today, surrounded by scarcity, where he stood valiantly facing his assassins unbroken and alone."

The voting has already started in the election, which took place less than two years after the last elections produced an inconclu-

sive verdict. But because of India's vast electorate of 600 million, and political apathy, which last week claimed 76 seats, voting is staggered in different areas over two weeks to allow security forces to move around the country. Counting begins on March 2. It is already clear, though, that Gandhi's entry into the political life she is reported to abhor has transformed the race—and the fortunes of the Congress party, her family long dominated. She is not confessing a soft heart, but she holds no formal position in the party, but as far as Congress leaders see concerned, the prime ministership is hers for the asking.

Congress pulled the plug on Prime Minister Indira Gandhi's coalition government in November after he refused to expand a panel party that a judicial inquiry had linked to Rajiv Gandhi's assassination. The next month, after years of estrangement from Congress leaders, Sonia announced she would take the plague and campaign. Before that, the Congress had been heading

for a disaster, staggering before the might of the right-wing Hindu Bharatiya Janata Party. Regional and left-wing parties, which had made up Gujarat's short-lived United Front government, had taken away a share of the vote from Congress. Even now, no party is expected to win a majority. However, the latest opinion polls, and the turnout figures from the first round of voting on Feb. 16, suggest Congress has made a remarkable comeback. A survey published in the newspaper *My India Today* gave the BJP and its allies their lowest tally yet, with 224 seats out of the 543 being contested. Gandhi's Congress party and allies were projected to win 164 seats, and the United Front coalition of Gorakhpur 127 seats. The theory goes that the two non-BJP groups enough for a Congress-led coalition government.

As the campaign has progressed, the Gandhi message has rarely varied. Sonia and Rajiv and Indira, who was herself assassinated in 1984, stands for Indian values now supposedly under threat from a rampant BJP. But the key element in Sonia's mere presence, swathed in a red-bordered sari and studded with jewelry, is a traditional Indian symbol presenting herself as a model daughter-in-law, wife and mother—and a formidable enemy for the BJP.

At first, the BJP thought it could destroy Sonia by focusing on her foreign origins. She met Rajiv at Cambridge University in England in 1965 while she was studying languages and his engineering. They were married in 1968, and he pursued politics with

his brother Sanjay was killed in a light plane crash in 1980. The BJP stressed Sonia's reluctance even to adopt Indian nationality until after her husband became prime minister in 1984. But the tactics backfired. Says Girishbhai Gondiya, crocheting over her basket of lacework, combs and nail varnish in a village market in the Gujarat town of Chitrangadh: "Indira Gandhi was like my mother. That makes Sonia Gandhi our sister. Why should we like her? She looks like she comes from our country now."

Last week, the BJP's prime ministerial candidate, Atal Behari Vajpeyi, normally known for his repartee with parliamentary diplomats, resorted to hurling insults with Sonia. She called Vajpeyi a liar. He spat back that "unashamed allegations and little knowledge do not contribute to electoral success."

The BJP's evident panic arises from the prospect that the party may once again be outmaneuvered when it comes to forming a coalition government. Now what is usually expected to be a fractured result. After the 1996 elections, Vajpeyi held the primeiership for just 12 days because the BJP could not attract coalition partners. The prospect of another defeat is especially cruel as the BJP has undertaken an extraordinary gamble in three elections, attempting to cast off its image as a party of intolerance, upper-caste Hindu hostility to foreign investment and Western culture and eager to test and build nuclear bombs.

Crucial to the reported transformation is Vajpeyi. In a party with many intestinal, putridly vegetarian, he is simple and rugged. He is also seen as a generalist, and surprised by the Muslim minority which otherwise fears the BJP. The party insisted the 1990 mid-elections of the fleshy Babri mosque at Ayodhya in northern India, which set off bloody riots. Until Sonia forced him on the offensive, Vajpeyi had campaigned on relatively benign topics like stability and leadership, leaving to others the ribble-raising anatomy about building a Hindu temple on the ruins of the Babri mosque.

The Congress has yet to designate a candidate for prime minister, should it form a government. It is unlikely to be Sonia, although she is eligible. But the family's future in politics seems assured. Daughter Priyanka, who married a Delhi businessman last year, was by Sonia's side through much of the campaign and, unlike her anxious mother, reveling in the attention. Although elder brother Rajiv also took part, after recently returning to the heat and dust of India from London, the media has focused Priyanka as the new Gandhi heir apparent. The dynasty is not only back—it is flourishing.

SUSANNE GOLDENBERG in New Delhi

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World NOTES

SINN FEIN OUT

Sinn Fein, the Irish Republican Army's political wing, was expelled from the Northern Ireland peace talks until March 8. The British and Irish governments made the move after the IRA was blamed for two killings in Belfast a week earlier, although the IRA denied responsibility. Sinn Fein asked Northern Ireland's high court for injunction to allow it to stay, but the two governments insisted the court had no jurisdiction.

KAUNDA CHARGED

Zambia's former president Kenneth Kaunda and his security chief were charged with concocting knowledge of an act of treason in connection with a failed coup attempt last October. The two were the first to be formally charged among 92 people who have been detained under emergency laws. Kaunda, who ruled Zambia from 1964 until elections in 1991, denies he knew about the coup plot.

BLAWING BELGIAN POLICE

A Belgian parliamentary panel rejected allegations that police systematically persecuted notaries—see-killing suspect Marc Dutroux. But the report said officers were so weak and corrupt in investigating the педophile offender that they afforded him "indirect protection." Dutroux has been charged in the deaths of four girls. Two were radioactive in his basement, where a police search found his home.

DOLLY A MISTAKE?

The Scottish scientist who claimed he cloned a sheep for the first time in laboratory admitted there is "a remote possibility" it was a胎牛, rather than an adult cell, created Dolly—a procedure that has been successfully performed for two decades. Ian Wilmut, said the donor sheep was pregnant at the time and he may attempt to repeat the experiment to silence critics.

OPRAH WINS A ROUND

A judge in Amarillo, Tex., ruled that cattle ranchers talk show host Oprah Winfrey for \$17 million over a program on mad-cow disease went forward under a new federal dispute-resolution line, and not the state's so-called vegout law, which was aimed at protecting ranchers. The decision makes it more difficult for the conference to hold her \$100 million program on cattle ranchers' fears for plugging beef prices.

Food riots batter Indonesia

Rioting protesting the rising cost of food and soaring unemployment, triggered through several Indonesian cities, torching dozens of buildings and shops run by the country's majority Chinese—traditional scapegoats during times of hardship. Three people were killed and 154 were arrested in the nationwide protests. The worst violence occurred in the town of Padangpanjang, on the heavily populated island of Java, where dozens of buildings were destroyed. Indonesia, many of whom earn only 70 cents a day, have been devastated by the collapse of the country's currency, which has lost nearly two-thirds of its value since a regional financial crisis began last July.

The rioting added to the mounting pressure on Indonesian President Suharto, who has responded to the violence by banning names related to Jakarta and asserting that anyone caught harboring essential commodities will be sentenced to death. Suharto did, however, receive a surprise visitor from Japanese Finance Minister Mikio Matsunaga, who was expected to tell a weekend meeting of the Group of Seven



Looters rob Chinese shop in Padangpanjang, Sumatra, scourge of

riots in London that Tokyo was prepared to loan us \$3 billion to Indonesia, South Korea and Thailand. He also planned to ask the ministers to create a \$60-billion line of credit for Indonesia. "I would like to see help for G-7," said Matsunaga, "to especially help oil importers."

Suharto, however, still faced foreign criticism by pushing ahead with a plan to link his currency to the U.S. dollar as a way of stabilizing the economy. The proposal has been declared unworkable by the International Monetary Fund, which has threatened to halve its \$63-billion bailout for Jakarta if Suharto proceeds with it. U.S. President Bill Clinton also called the Indonesian president to warn him about the idea. Clinton, who intends to begin another five-year term in March, may feel he has no choice

500 die in Taiwan A deadly Taiwan crash

Investigators were still examining the cause of Taiwan's worst air disaster, but China Airlines' massive nonstop flight from Hong Kong to Taiwan crashed into the sea off the coast of Taiwan, killing all 265 people

board the Airbus 300 jet, which was flying with seven on board. One of them was the plane captain, who was unable to land the aircraft on a light rain and foggy seas off its route. It is suspected that the veteran pilot had miscalculated after hearing one immature attempt for a second try. The plane's black box was shipped to Australia for analysis.

Nevada's germ-terror bust

With a cancer researcher in Las Vegas, Nev., was contacted by two men who tried to sue her over a strain of antibiotic bacteria. One of the men, Larry Wayne Harris of Ohio, had bragged that he had enough "to wipe out the city," but police said there was no evidence of any terrorist plot.

Harris, a former member of the white supremacist group Aryan Nation, had a previous conviction for threatening a person for slitting his wife's eyes.

freeze-dried bubonic plague bacteria by mail order in 1995. At that time, he had told police he wanted to unleash a terror attack on the New York City subway, which he believed would be blazed in Iraq.

The arrests raised new fears of domestic terrorism in the United States. Anthrax, which most often affects cattle and sheep, can be used for warfare in a form that can kill humans within days of exposure.

Canada's best-ever Winter Games packed the power to surprise and inspire

Magic Moments

BY BOB LEVIN

There were Hermann Maier's Games. They were Maier's Games because, long after the last concert anthem was played, the last flag raised and the last tear of triumph or despair visited down the last ruddy check, the enduring image of Nagano will be the Austrian skier soaring awkwardly off the downhill slope, turning gawkily cartwheels through two fences and crash-landing in a snowbank. And getting up and walking away. And then, a few wacky days later, that leadplayer whom skaters call the Hermannator and whose own girlfriends wonder if "he really is an alien," not only raced again but blasted down the super-G and giant-slalom runs to double gold.

They were Catriona Le May Doan's Olympics, too. The Sookean native with the powerful strides and high-heeled smile grabbed gold and bronze to headline a Canadian speed-skating medal haul. They were André Piché's and Eric Bédard's Games on the rowdy short track, and Pierre Lueders and Dave MacEachern's on the blinding bobbed run, and Sandra Schneider and company's at curling's Olympic coming-out party. And of course they were Ross Rebaglio's Games and party all rolled into one, taking him for a gold ride on the 25-minutes-of-fun snowboard from the snowboard hill to the police station in the Lions' show.

These were also the Games when Canadians acknowledge, if they hadn't already, that many other countries now play hockey, too, and rather well. If only we could say very little the way we did over the long dry decades since Canada last claimed Olympic hockey gold in 1924. And this year Canada's heat—Gretzky, Lemire, Ray et al.—took Nagano like rock stars, rocked up points in the race-guy snow-powderers (as opposed to say, those room-trashing Americans) but still couldn't find the gold. Neither could the Canadian women, hugging the burden of history into hockey's first Olympics as a two-pointer sport, disgruntled to the lower, slightly underdog Americans.

Which is why athletes play the Games, as opposed to experts handicapping them—because sport is about surprises. Except in ice dancing, of course, where a bloc of judges—paragons of reason, if



Piché celebrating
their short-track triumph
Maier attacking the
super-G course: a group
of homegrown heroes
and competing athletes
from other lands



nothing else—made up their minds before the skaters actually skated. Those would have been Shoe-Lynn Bourne and Victor Kraatz's Games, too, and unless ice dancing dealers up its act it should become an ex-Olympic sport.

All in all, though, the 153 Canadian athletes who went to Nagano fared admirably in the great expectations test. Canadians picked up 16 more medals than ever before, a count of 15 that topped the 12 tallied by Lillehammer four years ago and led American newspaper writers to depict a new Red Menace on their northern border. Canadians were out, decked out in their spiffy red jackets and caps as they mounted podiums again and again in ice sports, though not snow.

And the big winners were not necessarily the big names. Peterman triumphed only after favored teammate Isabelle Charest slid down and took a Charlie chowd with her. Bédard captured bronze when much-discounted Marc Gagnon crushed and inverted slater they learned up with two names to grab relay gold. Mark Fidrow was Canada's chairman of the board, not Rebaglio, but not on race day. That's sports, anyone, only blown up to Olympic proportion. Who did lame Eric Stolz have to arrive as his Nagano moment with a bone leg and miserable tail? Bad Timing, bad luck. The disappointed simply have to live with it.

For viewers back home—waking at terribly hours to catch the action live or watching the packaged version in prime time—the appeal was often in the competitors from other lands. There was Japanese ski jumper Masahiko Harada, who won redemption before his home crowd after his crashing failure in Lillehammer; and Norwegian cross-country racer Bjørn Dæhlie, who took four medals in one, his record Olympic total to 12 but still hung around to congratulate a last-place finisher. And yet there was pride in the ubiquitous Canadian fans, as well—even if they did "shout" Suzanne Tremblay, a Blue Quaker who MP who visited the Games and decreed the Canadian support bordered on the fraternal.

Well, so let 'em. Canadians are identical. And why not? For while the Nagano Olympics can hardly be called Canada's Games—Germany, Norway, Russia and Austria scoop'd more medals, after all—they were as exciting as a slow trouting into oblivion, as inspiring as him getting up for gold. □



Dickense, Canada's Elm Stekla, silver, and Russia's Ilya Kuliuk, gold, figure skating; Norway's Bjørn Dæhlie, three golds and a silver, cross-country skiing; Canada's Ilene Peterman, gold, snowboarding



Photo by AP/Wide World

Highlight Reel

For 16 days in February, Winter Olympians from Canada and around the world worked wonders on ice and snow, creating dramatic images of daring, disappointment and triumph



From left, Canada's Christine LeMay Done, gold and bronze, and Susan Auch, silver, speed skating; the Netherlands' Marianne Timmer, two golds, speed skating; Canada's Sandra Schmitz, mix, gold, curling



Photo by AP/Wide World

TARA LIPINSKI
UNITED STATES
GOLD
Figure skating



Still longing for hockey gold

The Czech Republic's Robert Reichel putting the shootout winner past Canada's Patrick Roy.



MASAHINO
KARADA
JAPAN
GOLD, BRONZE
Skijumping

A blistering run



AIR CANADA

defy obstacles



A.

B.

Daily nonstops to Osaka

to Olympic glory



Canada 1-lug
PIERRE LUEDERS and
DAVE MacEACHERN
GOLD
Bonnigh



CATHRINA LAZAN DOAN
CANADA
GOLD MEDAL
Long-track Speed Skating

AIR CANADA

defy even more obstacles

A. B.

The most nonstops to the USA

Photo: GUY LAWRENCE

i am unique

name

height

place of birth

and now

date of birth

here and now

parents



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Of course, there are far more interesting and interactive ways to tell everyone apart.

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Hockey meltdown

BY BRUCE WALLACE

The 1998 Olympic gold-medal hockey game had plenty in common with all those gold-medal games of the 1960s and '70s, except this time the Russians and the Czechs were No. 1. After all the hype and great expectations, a team of hardhats but head-in-the-clouds Canadians was reduced to the supporting act in what may qualify as the greatest hooky tournament ever staged. Everyone teams swept the medals. Canada played purely and unnecessarily for bronze. Just like the ad old days when they were the matinee.

Instead, the glory went to players like Ilya Kovalchuk, the Russian rocketeer with a sweet scoring touch, and Dominik Hasek, the Czech goaltender built like a sledge of the old Berlin Wall—with Cold War-era imperfections. The ultimate Czech victory was the rosy check for all those fans who somehow imagined Olympic hockey was going to be a North American demonstration sport, pitting Canada against the United States. There were, in actuality, Canadian players who worried the invasion would bring many tears to Nagano.

But pride never does not weep the sting. "The loss is devastating, the heartbreak is the worst," Wayne Gretzky said in a swoon-whisper after dropping the semifinal, 3-1, to the Czech Republic in a dramatic, pitch-up-the-lemon Olympic bout called the shootout. The Canadians were so crushed that they failed to regroup for the next day's bronze-medal game against Finland. The Finns won 3-2 in a game played in a funeral atmosphere at Nagano's Big Hat arena, where the normally boisterous crowd seemed to stand first polite, sympathetic clapping was most suitable for a coronation game. "Sure it would have been nice to go home with a medal," said Tie Flacco, leaving the Canadian dressing room for the last time, a day earlier than expected. "But we came here to win."



That's the contradiction now facing Canadian hockey as a sport where international party events among half-billion (if not more) citizens, Canadian players and fans remain conditioned to expect only gold from those who wear the Maple Leaf. Canada's women's team faced similar pressure when it fell 3-1 to the Americans in the final of the previous Olympic women's hockey tournament. Even the players seemed to regard the silver medal around their necks as symbols of failure. "We have a silver medal, but the set is to lose the game," said Cassie Campbell, part of a Canadian team that deservedly came up short in Nagano.

But pride never does not weep the sting. "It doesn't feel like we won anything." Only the next day did Campbell recover slightly, getting a new perspective from a two-time silver medalist and speedskater Susan Ansh, who stopped her in the athletes' village to tell her: "You know, Celine, a silver medal is a great thing." It may yet become true before Canada's best get consolation

to playing for a place in the medals. But the excitement and drama of the men's tournament suggests that the Winter Olympics and the world's top players may now be establishing as a beautiful friendship. The games as Nagano's big ice were marvelous entertainment. Skills flourished, free from the threat of O'neill's without any shortage of the jarring body-checking that the NHL offers. "I don't think you're going to find a guy who didn't like it," said a grinning Joe Nieuwendyk. "It's been one of the greatest hockey experiences of my career. And a gold medal might have rated even higher than a Stanley Cup."

Nieuwendyk spoke with his hair still wet from the postgame shower, and the Olympic glow may very well fade once the annual spring classic for the Stanley Cup begins. But NHL executives seemed upbeat about their Olympic moment, too. The league will decide next year whether to have its best players from mid-season duty to play in the 2002 Salt Lake City Games, a likely scenario given that those Olympics will be more conducive to American prime time than Japan's extremely off-the-globe time difference allowed.

There were still a few forced smiles among Neil, bemoaning last week over the American team's cluster of a performance, however. The U.S. men never gollied, never seemed to concentrate on hockey. "I can't look in a guy's eyes and tell if he's more dedicated than me," snarled Brett Hull when asked if the Canadians were better prepared, showing more snap in his quotes than in his shot. The intangible Americans complained about the bigger ice, the of drawing, and how the hockey gods had fingered them alone to lose big games. "We got a raw deal," said forward Doug Weight after losing to Canada, 4-1, in the round-robin part of the tournament and realizing that Canada's second goal should have been disallowed for having a man in the crease.



Canadian women's hockey team 2000 wear a silver medal. That was supposed to be gold

"...said captain Eric Lindros when asked how his team would save Hasek. But Steve Yzerman was more circumspect. "Everybody's tried pretty much everything with Hasek," he said with a shrug. "You just go in and shoot what he isn't."

Once the game began, it took 50 minutes and 57 seconds before Trevor Linden finally cracked a shot at the Czech goal where Hasek wasn't, twice the score of 1. Ten minutes of overtime resulted nothing, bringing on the shootout. Five players from each team in an Olympic version of a street hockey shutdown. After Robert Reichard scored on the Czech's first shot, Hasek stopped five consecutive Canadian shootout Jasons from Gretzky, providing ladder for years of hurtful arguments. "It's absolutely very exciting, but I don't care much for it before and I care for it afterwards," said Yzerman of the shootout. The Czechs, meanwhile, will probably put one of Hasek's saves on a national stamp.

The Canadian women's loss was just as heartbreaking. In the most important women's hockey game to date, a team that had won all four world championships came up flat. Their breakaway third period was not enough to overcome a lethargy on this night—American squad. And just as one team general manager Bobby Clarke had taken heat for his selection of players, another coach Sherron Miller received责骂 for the handling of hers. Most attack focused on the way she prepared her team for the Olympics, suggesting players were too high strung and tight and/or her guidance.

Opponents like US captain Cammi Granato certainly thought the Canadians were tense. "They had all the pressure of holding off a team that has finally caught up to them in talent," said Granato. American coach Guy South handled his team in a fatherly manner, says Granato. He tells pencils before a game Canada's Miles on the other

'The worst feeling in the world'—Wayne Gretzky

Coach Ron Wilson tried to motivate his players by showing clips from the first movie *Animal House* before the quarter-final against the Canucks. His team went out with a whimper. The *Animal House* lessons came in handy later at the Olympic Village, though, when a few players swapped some of the wretched Japanese furniture in their rooms and covered the walls with fire-resistant foam. "I know it doesn't look good on paper," said Wilson after his team was chased by the Canucks. It did not look good as or off the ice.

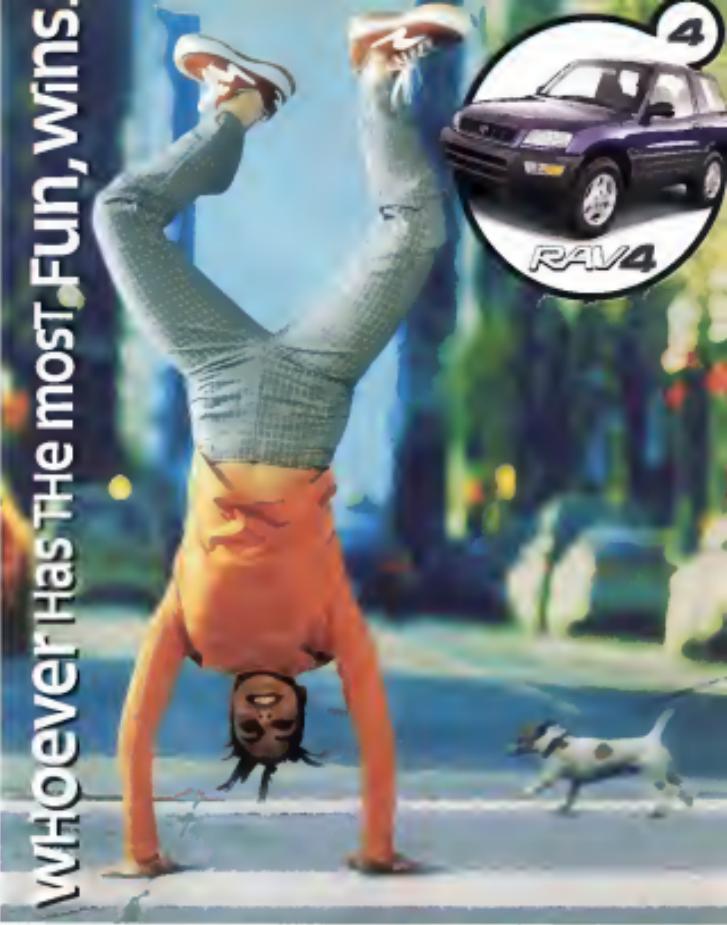
The Canadians, by contrast, could at least take home a consolation ribbon for good behavior. They revelled in mixing with other athletes in the village, renewing any skepticism that hockey and football could get into the Olympic spirit. "I think our team has handled everything with class," said forward Bob Zetterberg. "Every one of us represented our country very well."

The Canadians can also claim North American bragging rights after their convincing win over the Americans in a much-contested rematch of the 1996 World Cup final. Hasek's first play in beating the United States kept the Canadians and Americans from meeting again. "We're going to fire a lot of rubber and go to the

band, likes to keep her team in "the bubble," isolated from distractions like family, face "maturing the hell out of them" at the last minute, she says. The last minute for the Canadians came before a desperate third period when the team—driven by a goal—wanted video clips of their finest moments to the tune of *Soulja Boy*. The move provoked screeches from critics. "It worked," retorted Miller, whose team went on to play their best period of hockey. "Yeah," said assistant coach Duncie Sassegian wryly. "Maybe we should have played the video earlier."

Miller's players defended her to the hilt, suggesting that male hockey writers just don't like the women's game. But in the star-making, the Canadians looked like crash survivors. Team Canada freely laments after the annual reception for players and their families. They talked of the importance of the Olympic journey, but it was still too soon to forget the dashed expectations.

"You'll wake up tomorrow and feel tired, completely drained," Clarke told a group of the women, as they all nuclear-fused. "But in two or three days, you'll be back." Perhaps when the players and the nation come out of their funk, they will take a little pride in the way the world has embraced Canada's game. □



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In the fast lane

A winning finish for Canada's speedy short-trackers

BY JAMES DEACON

For members of Canada's 1998 Winter Olympic team, it was a moment to savor and celebrate. Easy to spot in their bright red suits and posey caps, clutches of athletes stood in the stands at the White Ring arena, cheering and whooping, waving Canadian flags and exchanging high fives. With good reason: Down on the ice, speed skaters Marc Gagnon, Francois D'Amato, Derrick Campbell and Eric Bédard had just crossed the line in first place in the last event in which Canadians had a chance to win a medal—the men's 5,000-m short-track relay. On their lap of honor, the skaters waved and shouted thanks to the dozens of spectators who had come, on the final night of competition in Nagano, to see them race. There were skaters and hockey players and long-track speed skaters, all racing in one last chance to hear their anthems in an Olympic arena. "Look around

here and you'll see about half the Canadian team," said Susan Arch, the silver medal-winning long-track speed skater. "For all of us, this was a great way to go out."

On a night of individual sorrows, the short-track team relegated to providing the crowning moment for Canada in Nagano. Earlier in the evening, both of the team's top stars, Gagnon and Isabelle Charest, had failed to earn medals in individual events; he simply fell in the 500-m race, she lost out in the 1,000-m final by two one-hundredths of a second. But just when it appeared the night was a complete bust, the men's relay team defied the odds, winning an on-ice calamity to skate off with the night's last race. "We were all laughing about it out there," said Campbell after receiving his medal.

"We haven't won a relay in three years, so far as to put it all together and win the gold in the Olympics, that just feels so great."

The short-trackers' stunning victory gave Canada its 15th medal, a winter record for Canadian teams. That's nothing, speed skating



Beattie with relay gold; a strong performance won the 1,000-m bronze

was the country's dominant sport in Nagano—the long-track team was five medals and the short-trackers finished with four. It might have been more had it not been for the woes of Gagnon, of Chicoutimi, Que., and Charest, of Montreal, who both crashed in previous night's events. Their coach, Nadine Giguere, and she thought both skaters were trash going into their individual races. "There is pressure in any Olympic sport, and there is the pressure you put on yourself," Giguere said. "It is worse for people who are expected to win, like Isabelle and Marc."

The roller-coaster between elation and despair began on the first night of short track. In the women's 500-m final, Charest made a move to take the lead halfway into the race and fell when she stepped on a rubber line marker. She launched a Chinese rival down, too, allowing Anna Perreault to grab the lead and eventually the gold. It was a miraculous result for the names of Flock Forest, Que., who missed most of last season with knee injuries. "I am so happy, like a dream," Perreault said. Charest was somewhat consoling when she, Perreault, Tania Vittim and Christine Bouliamis captured the bronze medal in the women's 3,000-m relay.

Gagnon, meanwhile, was despondent after being disqualified in the quarter finals of the 1,000-m-in which he holds the world record. But Bédard, the team's rising star, finished third and was the happiest bronze medalist around. "Just getting to the final was a bonus for me," said Bédard, of St-Eustache, Que.

For many of the other Canadian athletes watching at the White Ring, short track and its

THE GOLDEN GIRL OF THE ICE OVAL

Fresh off the ice at Nagano's M-Wave speed-skating oval and bearing her just-won bronze medal from the women's 1,000-m final, Catherine Labay Down looked like she could go right back out and race again. Despite the urging of event officials to keep moving—the first step for any Olympic medal-winner is supposed to be closing control—she stood before a throng of reporters and answered all the questions, content to just enjoy the moment. She didn't flinch when asked if Olympic stardom would inflate her sense of herself. "I think the way I have been brought up, that won't happen," said the 26-year-old from Saskatoon. "My parents have always been level-headed and they don't want me to change. I don't want to change."

He will, though, at least in the immediate future. Instead of taking some well-earned time off before resuming training, Labay Down takes a week of cameras, microphones and sponsors schmoozing on a media tour with stops in Vancouver and Toronto. The marketing of the speed queen was inevitable: she won two Olympic medals—including gold in the 500 m—carried the flag into the closing ceremonies and wore a smirking smile. "You could tell a lot of people with that smile," said one team member.

But endorsements were far from her thoughts in Nagano, where she

crashed were a revelation. That is partly because the sport plays to several Asian border rivals. On the night of the men's relay, the building thundered with Japanese, Korean, Chinese drama and Chinese efforts. There was no such throb as a quiet moment as two cheerleaders doffeding as when a Japanese skater passed. Korea or China, even better, both. There were also hundreds of colorful banners, most in Korean or Japanese, although one bearing a single leaf read "Go fast, turn left." "Wasn't that great?" said Sherry Wilson, the women's hockey team captain, after watching the men's relay victory. "The atmosphere is here to stay."

For all its excitement, short track can be cruel, as Charest and Gagnon can attest. Four years of training can be wasted because of a competitor's mistake or a brush with a pylon. "I feel for Isabelle and Marc," said Arch, who competed in short track early in her career. "That's why I got out of the women's relay." Gagnon says the skaters learn to cope with the event's unpredictable nature. "If you choose short track," she says, "you have to accept the way things go."

They did, of course. Charest chased and whaled with her boyfriend, Jean-Pierre Côté, a Sherbrooke firefighter, as Gagnon sped through the final turns to grab gold. "I am so happy for them," she said. "They deserve it." And Gagnon, wearing his new medal around his neck, talked about how important the team has been to all of them. "We are very close," he said after the final race. "We really support one another, and our team spirit is very strong." Any doubts at the White Ring last week knew that already □



Left LeAnne gets congratulations from her husband, Bart. "I don't want to change!"

exceeded some old dreams. In her first Games in 1994, she fell midway through the 500-m race in which her teammate Susan Arch won silver. LeAnne Down was crushed until she found solace in Christianity. She credits that newfound faith with helping her handle the pressure in Nagano, especially before the 500—the race she was expected to win. She did, in Olympic record-breaking fashion, and with her bronze—behind gold-medallists Marianne Timmer of the Netherlands and American Chris Witty—may not have appeared as shiny, the skater was delighted. "After the 500, that was this tremendous feeling of relief—it is the event I feared for all year," she said. "With that, I am a bit more satisfied," she added, capping her new medal. "Because at the beginning of the season, I didn't think I'd ever have a chance in the 1,000."

Now, LeAnne Beattie will reap the rewards. There will be endorsements and appearances that boost the income she already derives from winning World Cup races. That will keep the skater and her radio-bullring husband, Bart, on the road a few extra days before they go home to Calgary. She will not last for long. She has two more World Cup competitions left on the schedule this season, and her eye on the future. "I plan to keep skating," LeAnne Down said. "I'm aiming for 2002." Look out, Salt Lake City.

J.D. in Nagano

Dirty Dancing

Outrage over a 'blatant' case of fixing the marks

BY JAMES DEACON

The judges sit at midline, their pens at the ready, their blank expressions as fixed as their stances. They watch and, according to incomprehensible referencing criteria, assign the merit of each performance. They are human, they make mistakes, and they are powerful—they can make or break careers in the most lucrative of Olympic sports. But what became clear at Nagano during the ice-dancing competition is that, more than anything, judges are accountable. Even though the International Skating Union had been warned prior to the Games that a group of dance judges was conspiring to rig the Olympic results, the sport's governing body was powerless to stop it. As a result, last year's third-ranked team, Canada's Victor Kraatz and Stéphanie Bourne, dropped to fourth in favor of France's Marion Asselin and Gwendal Picard—just as insiders had predicted before the competition began. "I think," said ISU president Octavio Cintia, "that something must be done."

Too little too late for Kraatz. Sitting in the athletes' section at the gaudy White Ring arena, watching the women's short program last week, he chased his words carefully. "We did really well—we skated great and we are really happy with that," said the North Vancouver resident. "But the ball was out of our hands."

The skater had to be discreet. One team member told *Newsweek* that Bourne and Kraatz had been warned that they would be suspended from the competition if they continued to question the judging openly. Kraatz would not confirm or deny the report—he and his partner have to skate before the same judges later this month at the world figure-skating championship in Minsk, Belarus. But he did say he wished that competitors were forced to follow the rules set out in the official ice-dance handbook—which call for more technical, less showy routines. Are they penalized if they don't? "Sure, some are," he replied. "It really depends who you are."

The Canadian skaters were not the only ones censored by the secretive skating organization. Albrecht's has also learned that Jean Sénft, the Canadian judge on the ice-dance panel, was asked to submit a letter to explain why she gave Bourne and Kraatz second-place marks for their *Imperial* free-skate programs. Like the skaters, Sénft would not comment on her starfish, saying that it was against ISU rules to discuss judges' placements. The alleged bias forced her to sign an acknowledgment that the seven judges who gave the eventual gold medalsists, Paulin



Bourne and Kraatz (right) and Peter Neth (left) Canadians were told they would finish fourth before they left for Nagano, and a young chorus of complaints may finally force needed reform in ice-dance judging.

Gružničuk and Yegorov Platov first-place marks for their golden waltz were also asked to submit letters of explanation. The Russian duo had made a blatant error and referee Wolfgang Körn did not agree with their marks.

Bourne and Kraatz's camp has no doubt there was blue voting ("it's a job"), said Kevin Albrecht, the powerful skating agent whose company, the International Management Group, represents the Canadian ice dancers. Albrecht said he sent the sisters' agent, Nathalie Cooke, were "tipped last September that the Russian, French and Italian judges had agreed to promote the French pair over the Canadians. The racy *Ballroom* was particularly obvious at the exhibition series final in March last December, where the same group of judges handed out identical plumes to key teams, boosting the fortunes of French, Russian, Polish and Ukrainian duos while holding back the Canadians and Elizabeth Purvis and Jerry Seville of the United States. Then, just before leaving for Nagano, Albrecht told Bourne and Kraatz that a senior ISU official had informed him that the pair would receive fifth-place marks for their first compulsory



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dance so that they could not rise higher than fourth even with a strong free skate. That is exactly what happened.

Critics of judging irregularities are not confined to ice dance or even to figure skating. Canada's top aerialist, for instance, landed a perfect jump in the first round of the freestyle finals at Nagano last week, but was inexplicably given a mark lower. "When I landed, I didn't think I could have done it any better than that, and I was a little disappointed with my score," Nicolas Fournier explained. "Maybe it affected me—my coach was telling me not to think about it, but all the other athletes were saying that it was a perfect landing and I got screwed on the points." But Fournier concedes that uneven marks are the exception rather than the rule in his sport, which is judged according to technical criteria rather than style.

That formula would suit the International Olympic Committee, which wants ice dancing to straightforwardly get out of the Games. The other three figure-skating disciplines—woman's, men's, and pairs—base marks on technical criteria such as jumps, spins and footwork. Ice dance has so far refused to adhere to similar rules, and IOC officials are not amused. They say the controversy in Nagano calls into question the integrity of the sport itself, by association. "It was so blatant here," said IOC vice-president Dick Pound of Montreal in Nagano last week, "that it has drawn everyone's attention." The IOC could be causing a similar disaster if it admits ballroom dancing as a sport at the 2006 Games in Sydney, Australia—but Pound in a sidebar will not make it. "I don't think it's popular enough to get onto the program," he says.

For the record, ice-dance officials remain unapologetic about their sport, saying there is no evidence of voting irregularities. But Canada's Tracy Wilson, the former ice dancer turned CBS broadcaster, says the voting patterns from recent competitions do not fit. "Now that people are finally talking about it, maybe things will improve," she says. "Until now, no one has stood up and said, 'This is wrong and we should do something about it.'"

Cognetta says the next ISU congress will examine ways to improve judging criteria. He admits he and his colleagues are feeling the heat from the controversy since it went public. "We are not deaf," he says. "We listen, we read." He says he may initiate a poll system so that judges can be chosen at the last minute, thus preventing them from building alliances in advance of major competitions. But he does not expect instant results. "You cannot force people to do things," he says with a sigh. "Free dancing is about personal opinion, and you cannot say what people should think." Tell that to Bourne and Knott.

A pixie-perfect moment

At la hand it to her—the kid was great! Tara Lipinski, all of 15, strings off the weighted pressure any sport has to offer, lands sevenainless triple jumps and goes to cart off the women's Olympic figure-skating gold medal as a night when the Internationals' fellow American Michelle Kwan, skates beautifully. The underdog, scolded out, finished her pixie smile and landed the hardest free slide anyone dared to perform in the women's final last week in Nagano. Her technique was so masterly, and her enthusiasm so enduring,

said Bevacqua, who crafted Lipinski's programs during a residing season in Torino last summer. "It may be her parents' dream, too, but believe me, Tara eats, sleeps and breathes it. I have a lot of respect for her."

Kwan deserves perfect 6s for gracefulness and precious perspective. The 17-year-old from Tavannes, Calif., who hopes to study law at Harvard after graduating from high school, was the most elegant skater. Performing a program designed by another Canadian, Lon Nichol of Keswick, Ont., she was a little less on the landing of one jump, but finished strongly and won awarded marks that could easily have been good enough to win. When Lipinski then scored highest, Kwan masked her profound disappointment with a brave smile during the medal ceremony and in front of the media. "I knew coming in that this was not going to be a piece of cake," she said. "But I skated off the ice happy with how I did. It may not be the color of medal I wanted, but I'll take it." Lu Chen, the bronze medalist from Changchun, China, was just happy to be in the fold. "Last year, I did not skate well," she said



Lipinski (right) with silver medalist Kwan after they both won seven perfect triple jumps for figure-skating gold

she won a 6-3 majority of judges—a fair assessment, according to most observers. When the marks came up from the less-is-more section of robotics, the girl from Sugar Land, Tex., elicited several of the loudest, most wild peeling series of cheers ever heard in an Olympic arena. It hurt just being in the same building. "I was so excited," she explained afterward. "It was a little late, because I went by so fast, but it felt so good, so perfect—it remember forever."

Lipinski has a lot of forever left—she is the youngest Olympic women's figure-skating champion and "it's amazing what she did out there, in those circumstances," said Todd Ebdon, the U.S. men's champion who trains with Lipinski in Detroit under coach Michael Galagan. "She's 15 years old, but you have to realize that in her mind, she's much older than that and she acts much older than that." And Lipinski is decidedly not the puppet of numerous parents; says her choreographer, Sandra Boos of Toronto. "This is Tara's show,"

JD in Nagano

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A \$6-billion shock

Ontario Hydro grapples with a record loss

BY KIMBERLEY NOBLE

It was a night of household men and women who have dropped all over the province's public electrical utility from the dawn of political time, running in rhetorical circles in an effort to persuade worried voters and nervous consumers that Ontario Hydro's decision to write off \$6 billion off its books is not really all that bad.

From Premier Mike Harris on down, the armed forces of blustered bureaucracy spent last week masking that the largest corporate write-down in Canadian history should be viewed merely as an accounting adjustment, that it will not mess anything for the utility, its customers or the government's financial restructuring plan for Hydro. Never mind that Hydro's write-down resulted in a \$3-billion loss for 1997 that has rendered the Crown corporation technically bankrupt. Harris insisted that all was well—or as well as can be expected, given that the money is what must be reinvested in Hydro's plants and equipment after years of neglect and mismanagement, particularly in the nuclear division, plus the cost of splitting Hydro apart into several operating companies. "They are no stronger or no weaker than they were yesterday," the premier said the day Hydro unveiled the bad news.

Harris restated Hydro's promise that power rates will remain frozen until the year 2000. Asked for his assessment of the historic event, Energy Minister Jim Wilson evaded his boss, stating cryptically that the accounting changes would not affect Hydro's \$1-billion debt, nor its credit rating. The measure of flossy, nonchalant, hopes that after its breaking Hydro will be efficient and profitable enough to pay for its own restructuring. Says Karen Sudler-Brown, a senior economist with the Ontario ministry of finance: "As they move forward, I believe, they will have the cash flow to cover it."

This is a fine, uplifting notion. But so far, few people outside the pink granite walls of Queen's Park are buying it. Indeed, on the face of it the idea that Ontario Hydro's financial crisis might somehow take care of itself without too much trouble does not make a lot of economic sense. On the contrary, solving these billion-dollar losses in black and white only highlights concerns outside the legal ranks of government that the red ink at Hydro will soon start showing up on everybody else's bottom line. "They try to make it sound so painless, as if it's only accounting and they could do it again next week, the rates aren't going to go up," says Bob Kondish, manager of public affairs for the Ontario Municipal Electric Association, a group that represents the 225 municipal utilities that distribute Hydro's product to 2.8 million households across the province. "But whenever it comes

from, absolutely, absolutely, the写-off doesn't go into a black hole. That money has to be paid eventually."

It is not only consumers who are worried. Because the province has historically guaranteed all of Hydro's \$31 billion debt, the utility's financial weakness could soon undermine Ontario's own ability to borrow. To try and Hydro polished its numbers, Canadian Bond Rating Service (CBRS) of Toronto issued a risk alert informing investors that it was revising its outlook for the province's long-term debtworthiness from stable to negative. This is not yet a downgrade of Ontario's coveted double-A credit rating; it means that the agency is flagging as consumers' new risk that Hydro should the province attack to its resolution plan seek from its guarantees for Ontario Hydro. In light of the fact that Hydro owns over

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Hydro's losses take the gold and the silver

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3. BCE Inc. (1998)	\$2.9 billion
4. Danco Inc. (1996)	\$713 million
5. BCE Inc. (1993)	\$400 million
6. Place Des Arts Ltd. (1992)	\$387 million
7. Barrick Gold Corp. (1997)	\$385 million

bondholders \$4.5 billion more than it owns in assets, with no readily apparent means to restore the balance, provincial auditor Erik Peters wondered, "How do we explain the taxpayer whether or not that increases the risk?" Will the taxpayers have to make good on the guarantee that the government has given? he asked. These are good questions, to which no one has any answer—because nothing like this has ever happened before.

One thing that everybody seems on board about, however, is that last year's numbers are more than some accountants' figures on a page. When Hydro dropped its last bombshell, in August 1997—revealing that its nuclear generators were in such a sorry state that even the省府 would have to be shut down—the company estimated that the tab would total between \$5 billion and \$8 billion. It came down to just under the middle. The \$6-billion charge taken last week represents the cumulative loss of value in a number of Hydro's worst-rated power plants—as well as future costs of upgrading its

facilities, as well as the cost of getting ready for deregulation in 2000.

There is plenty of expensive work ahead. Hydro has earmarked \$147 million to pay the cost of getting ready for deregulation in 2000, \$600 million to upgrade its transmission and distribution divisions, plus pay for environmental cleanups and \$1 billion to cover the cost of decommissioning seven nuclear reactors. The largest portion, however, is the almost \$4.6 billion that is going to be required for Hydro's "nuclear asset optimization plan," the utility's euphemism for all the re-engineering work that needs to be done to bring the 12 nuclear reactors that Hydro hopes to keep operating back up to industry standards. "A big part of that change is in nonperforming assets that Hydro has to rebalance," said CBRS's Paul Collier. "They are going to have to come up with the money to pay for that."

Hydro officials talk as if that will be no problem. They claim they will have more than enough money by pooling their retained earnings with roughly \$2 billion in yearly cash flow that Hydro hopes to generate from continuing operations. But there's a catch: The problem, according to utility analysts and Hydro customers, is that ending Hydro's savings and diversion is key to the necessary repairs and will make it difficult, if not impossible, for the utility to continue with its plan to reduce its debt by \$3.7 billion by 1999. The province wants the debt to drop before it restricts the utility's role in generating, transmitting and distributing areas, and invites other suppliers to compete for Ontario customers. If Hydro can't borrow more money, or still wants to make those debt payments, it is left with only two options: increase electricity prices, or sell off some part of itself, in the form of shares, assets or joint venture partnerships arrangements.

Province and Hydro officials have every looks and long that prices will not get far above current and acting CEO William Fairclough, who is holding the fort until recently appointed president Jim Osborne (who, for the remainder of this week, continues in his post as president of Bell Canada) joins Hydro in March, even characterize the write-down as something that "reinforces Ontario Hydro's commitment to recovering the substantial investment made by ratepayers in our nuclear facilities."

But the municipal debtfathers have their doubts. They remain convinced that users will end up paying twice for Hydro's mismanagement, because a portion of the \$6 billion is bound to be added to the estimated \$19 billion to \$20 billion in earning debt that the government plans to live off from Hydro before it begins the utility's spin-off. That obligation has become known as the "steaming debt," and where it will come to rest in anybody's game—but most analysts believe it will eventually fall on the shoulders of consumers. Even at its current level, servicing the stranded debt could add 20 per cent to average household electricity bills, Predicts Kenneth "One way or another we will end up paying for it."

The only other way to raise this kind of money, as far as most observers can see, is for Hydro to get down to the business of selling equity or assets to outside investors—a political hot potato that Queen's Park, by all accounts, views as a far worse prospect than persuading the public to pay its share of the stranded debt.

Hydro and government officials insist they have ruled out a public share sale for the foreseeable future. But they may not entirely mean it. They remain willing to talk about the potential sale of private equity stakes to foreign partners. British Energy Ltd. of Edinburgh, the company that engineered the successful turnaround of the United Kingdom's troubled nuclear reactors, approached Hydro with a partnership proposal early this year. The day before announcing the accounting change, Hydro executives confirmed that they had been in discussions with other foreign groups as well. British Energy isn't saying what, if any, impact the write-down is having on its talk. "It is too early for me to be drawn on that either way," says British Energy spokesman David McRae. "We are still in the middle of our ongoing exercise. We have made no secret of the fact that we are interested." If nothing else, the week's events have given Hydro's managers new reason to look closely at all offers that come with the promise of fresh cash. □

better-performing operations, both nuclear and non-nuclear, in preparation for what is still widely expected to be their eventual sale.

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But the municipal debtfathers have their doubts. They remain convinced that users will end up paying twice for Hydro's mismanagement, because a portion of the \$6 billion is bound to be added to the estimated \$19 billion to \$20 billion in earning debt that the government plans to live off from Hydro before it begins the utility's spin-off. That obligation has become known as the "steaming debt," and where it will come to rest in anybody's game—but most analysts believe it will eventually fall on the shoulders of consumers. Even at its current level, servicing the stranded debt could add 20 per cent to average household electricity bills. Predicts Kenneth "One way or another we will end up paying for it."

The only other way to raise this kind of money, as far as most observers can see, is for Hydro to get down to the business of selling equity or assets to outside investors—a political hot potato that Queen's Park, by all accounts, views as a far worse prospect than persuading the public to pay its share of the stranded debt.

Hydro and government officials insist they have ruled out a public share sale for the foreseeable future. But they may not entirely mean it. They remain willing to talk about the potential sale of private equity stakes to foreign partners. British Energy Ltd. of Edinburgh, the company that engineered the successful turnaround of the United Kingdom's troubled nuclear reactors, approached Hydro with a partnership proposal early this year. The day before announcing the accounting change, Hydro executives confirmed that they had been in discussions with other foreign groups as well. British Energy isn't saying what, if any, impact the write-down is having on its talk. "It is too early for me to be drawn on that either way," says British Energy spokesman David McRae. "We are still in the middle of our ongoing exercise. We have made no secret of the fact that we are interested." If nothing else, the week's events have given Hydro's managers new reason to look closely at all offers that come with the promise of fresh cash. □

Pulp and politics

The B.C. government keeps on bailing at Skeena

BY JENNIFER HUNTER

The phone in B.C. Supreme Court Judge Alan Thakrey's downtown Vancouver office rings at 8:30 p.m. on the second-to-last day of 1997. On the line was Cleo Bird, a lawyer representing the B.C. government in the ongoing financial restructuring of a company called Stora Enso Canada Inc., which owns sawmills in the central B.C. interior and a pulp mill at Prince Rupert on the northern B.C. coast. The company is struggling to claw its way out of bankruptcy. The province had earlier stepped in with cash to try to effect a rescue. It was Thakrey's job, under federal statutes, to oversee the bailout and make sure Skeena Celulose's flotilla of creditors, small and large, were treated fairly. But as he began to wonder what it had to say, Thakrey let a mounting sense of uneasiness take hold. "The government," Bird told him, "planned to sweeten the deal for small creditors. He wanted to know what Thakrey thought of the proposal." "F---," the judge wrote his memo after the conversation ended, "that the government was trying to resolve it in a political move."

If that was the case, Bird's anxiety may have constituted a serious intrusion into the independence of the judiciary. But for the citizens of British Columbia, the worry that erupted when the cell became public last week was only the latest surprising turn in a saga that has so far seen the government pump almost \$229 million into the failing company—the largest corporate bailout in B.C. history. At stake, in addition to the taxpayers' cash and the company's future, is a good chunk of the economy in a swath of British Columbia from the coast to the inland communities of Terrace and Smithers, 215 km to the east. Skeena Celulose directly employs 783 people in Prince Rupert, a city of 16,000. But as many as 12 times that number of jobs in the region depend in whole or in part on the company. Even so, critics say the government's efforts to save Skeena amount to little more than lip-service for a donated position. "It is simply ridiculous to prop up what could easily be Prince Rupert," says Les Reed, lawyer, policy consultant, and professor emeritus at the University of British Columbia. "We have done...and I quote a cabinet minister's own words..."

Others have come to the same conclusion. Liberal Opposition leader Gordon Campbell called for the resignation of deputy premier Dan Miller, who represents Prince Rupert in the B.C. legislature and is widely regarded as the second-most powerful politician in the

provincial NDP government, after his close friend Premier Gail Clark Miller had been deeply involved in the negotiations to rescue Skeena and it was he who encouraged Bird to make the call to Thakrey. Both rejections are unfriendly; last week, Clark confirmed Miller's role in causing by naming him ministerial energy and resources responsible for northern development in a shuffle at his final budget. Miller himself simply shrugged off

What unnamed workers bristled at conditions demanded by the banks, Clark's government stepped in. First, the govern-

ment's NDP government, after his close friend Premier Gail Clark Miller had been deeply involved in the negotiations to rescue Skeena and it was he who encouraged Bird to make the call to Thakrey. Both rejections are unfriendly; last week, Clark confirmed Miller's role in causing by naming him ministerial energy and resources responsible for northern development in a shuffle at his final budget. Miller himself simply shrugged off



Bird: the opposition calls for his resignation after a government lawyer contacts a judge

the criticism, asking, "What's the problem?"

The legal problem, it says, with Bird's call may become clearer in the days ahead. The Law Society of British Columbia has launched an investigation into the matter. And former judge David McRae, who spoke on Thakrey's behalf, noted, "It is unusual for a lawyer involved in litigating cases to phase the judge. There has to be that appearance of fairness." Judicial ethics panels across the country have brought down politicians in the past. Both Liberal André Ouellet, in 1976, and Conservative Jean Charest, in 1980, resigned from the federal cabinet after facing criticisms for just such conduct.

Ingratitude or not, Bird can't profit past Skeena Celulose's capacity to cause headaches for its owners. Its last private-sector parent, Bepco Enterprises Inc. of Montreal, ran up a \$90-million debt during its 11-year tenure of the company, investing much of the money in operations elsewhere. Last



Skeena Celulose mill at Prince Rupert: thousands of jobs in a politically sensitive riding

inflation of provincial funds. Skeena emerged from the supervision of the creditors act and promised that the contractors would get their money by week's end. Said Jason Royko, a financial consultant for the soon-to-be-lagging contractors in Terrace: "It's great news."

The latest provincial undertaking has a new twist: keep Skeena's vital signs alive—it barely beat critics like Reed by wondering when the provincial tap will be turned off. "This budget could go up to \$300 million and you'd still be left wondering whether the company could survive," he said. Asked if the government does indeed have plans to pour still more funds into the company, employment and investment ministry spokesman Don Zahnweber said only, "I wouldn't want to speculate."

But according to many of those who study the Prince Rupert mill and their financials, the government has no choice but to keep the money to an. Should Skeena fail, says Royko, "there was the prospect of 30,000 people losing work from Skeena to Prince Rupert. The social ramifications are huge." Without the pulp mill, in fact, there is little else going on economically in Prince Rupert. Tourism offers seasonal employment in summe, and the city is a rail terminus with a port. But neither activity is poised to make up for the loss of the high-paying, unionized jobs that Skeena Celulose has provided. Minimally, though, the regional economy continues to undergo intense pressure due to poor salmon runs and competition from neighboring Alaska. Prince Rupert was the site of a three-day blockade of an Alaska ferry during last summer's fish war, sparking an interesting clash with U.S. Rep. Jim Slade of Wisconsin, who chairs the Prince Rupert Port Corp.

"Most people are supportive of what the government has done, even though some may have had to hold their noses."

If a government intervention has been tried in the past—and has failed to put Skeena Celulose on a sustainable footing in

said to Repub for just \$69 million. The question remains: even with all the money being thrown at it, will Skeena Celulose ever prosper? Some think it can. "The mill and the people up here have gotten a bad rap," argues Rudy Schwartz, former Skeena chief operating officer. "The mill has made a lot of money in the past and it will do again. It's not the blackhole people say it is."

But the outlook is far from encouraging. Pulp prices have stuck at \$780 per tonne, far less than the \$850-per-tonne price that Skeena needs to operate profitably. There is intense competition from Third World countries such as Chile. And critics say there are already too many B.C. pulp mills churning too little wood fiber. "Ten per cent of the harvest of logs as the cost is consumed by Skeena," says Reed. "When you put that amount of fibre in a mill that shouldn't be operating anyway, you multiply the waste factor of other mills." A better plan, Reed argues, would be for the province to sell Skeena's potentially profitable ownership interests, and to let the market clean it up.

But so far, the B.C. government appears to have no taste for walking away from its investment in a politically sensitive riding. □



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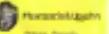
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1. Canadian Urological Association (Survey involving 102 subjects). Generated by Pfizer & Borden. Jan 1994
2. NIH Consensus Development Panel on Impotence. The NIH Consensus Conference Report. July 1993;20(1):1-33, 39-52

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Business NOTES

RECORD PROFITS

At Canada was among Canadian corporations that posted record profits in 1987. The Montreal-based center collected \$427 million on revenues of \$3.8 billion, last year — nearly three times what it earned in 1986. Meanwhile, Statistics Canada reported that last year Canadian corporations collectively reaped record operating profits of \$110 billion. The upbeat results were led by banks, which posted a 32.8-per-cent profit increase to \$15.7 billion.

WILL IT BE A MAGNA?

After years of quiet, Magna International Inc., of Mississauga, Ont., started its own shareholders what it announced it was considering launching a new luxury transatlantic air service aimed at executives. Analysts believe the company's diversification plan — which also includes a trans-pacific chairman, Frank Stronach, native Austria — for driving Magna stock down to ridiculous levels. At one point, it says, Mr. Guerrieri sold his mother he was haunted by evil spirits, and later

Salt for the Bre-X wounds

There was talk of intelligence and evil spirits
But in a report released last week, an investigator hired by Bre-X Minerals Ltd. said CEO David Walsh knew nothing about the multi-billion-dollar gold boom that topped the Calgary-based company last spring. Toronto-based Forensic Investigative Associates Inc. did note, however, that some Bre-X executives were told about improper handling of samples at the company's Basingstoke gold operation in December five weeks before the rest of the world learned it was a hoax.

Bre-X failed to include that finding when it released a summary of the 104-page FIA report last October. An Alberta court forced the company to release the full text. The report found former Bre-X geologist Michael de Guanier was the mastermind behind a massive selling scheme to add gold dust to Basingstoke rock samples. At one point, it says, Mr. Guerrieri sold his mother he was haunted by evil spirits, and later



De Guanier with computer board "spells"

tried to sell himself by drinking cough medicine in a bar, hoping to fall asleep and drown. He died after jumping from a helicopter. Although a former wife insists he is still alive, fingerprints from the body match de Guanier's. The report says the role of John Felderhof, the company's former vice-chairman who refused to co-operate with the probe, remains unknown. The RCMP and Ontario Securities Commission are also investigating the Basingstoke debacle.

Doubts about the CPP

Nearly a year after 125-year-old Toronto-based retailer T. Eaton Co. Ltd. sought court protection from bankruptcy, it sold its profitable credit card division to Minneapolis financial services giant Novint Corp. for an estimated \$100 million to \$120 million. Industry watchers say the transaction would allow Eaton to retire the last of its \$419-million in debt it carried when it emerged from court protection last October.

TERRA NOVA GEES A GO

Calgary's Petro-Canada reached agreement with its partners in the Terra Nova oilfield, 380 km southeast of St. John's, Nfld., to proceed with the \$8-billion project. Unlike the major Hibernia development, which produced its first oil last year from a platform-tunneling on the sea bottom, the Terra Nova plan would employ a floating production platform and shore ports at Hibernia's shoreside storage facilities.

INVESTING IN QUEBEC

Montreal-based Alcan Aluminum Ltd. announced that it will spend \$2.5 billion to build a new smelter in Quebec's economically depressed Saguenay region. The new smelter, to be built at Alma, replacing an older existing plant, is expected to be in operation by late 2000 and create 250 jobs.

think that's dangerous," says Senator David Thachuk said. Thachuk said he is afraid that a CPP board beholden to the government will be tempted to use the fund for political purposes, rather than in the best interests of the fund's beneficiaries. Investment experts who spoke before the committee of public hearings last week in Toronto, Calgary and Vancouver echoed the concern. Sen. John Fox, a pension fund consultant, "find boards begin bad boards, and bad boards begin bad staff."

FINANCIAL OUTLOOK

The Canadian economy rebounded back strongly in December. Retail sales rose 2.7 per cent — and wholesale sales 2.9 per cent — over November figures. Manufacturing shipments rose 6 per cent over the previous month, powered by a dramatic 14-per-cent leap in auto exports. Even the hide-and-leather sector surged upwards, closing the week at 70.44 cents (U.S.).

But the boost may be short-lived. Analysts traced signs of weakness in part to Asia's ongoing woes. While the number of foreign travellers visiting Canada in 1987

nudged up 1.6 per cent over 1986, to 17.5 million, U.S. and British visitors accounted for most of the increase, while tourists from Asia declined. Manufacturing exports fell sharply, and despite a \$1.7-billion jump in December, Canada's trade surplus ended the year down 40 per cent from December, 1986.

BUSINESS TRAVEL TAKES OFF

Percentage of the Canadian workforce that took at least one trip	1984	1985	1987
28%	28%	40%	
40%	40%	40%	

SOURCE: AMERICAN EXPRESS

"Our leading paradox of economic activity has been a fall-off in four consecutive months. While much of January's decline was related to the seasons, the downward trend points to a softening of economic conditions for 1988."

—Weston Busch

Personal Finance

A new kind of cheque-out aisle

Shopping for a mortgage? Try aisle 6, between housewares and frozen foods. Canadians may be doing just that more often in the months ahead, as big banks team up with big books to offer a host of in-store financial services. The big benefit for consumers is convenience, says Susan Cohen, an industry analyst with Toronto-based Deacon Capital Corp. With competition in the financial sector at a fever pitch, she adds, "banks are looking at all kinds of alternative channels for delivering services."

The Toronto Dominion Bank jumped onto the shopping cart last week, when it announced plans to open full-service branches in up to six new Wal-Mart stores by the end of the year. (The TD Bank already has bank machines in many Wal-Mart stores.) Earlier in February, the Canadian Imperial Bank of Commerce teamed up with Loblaw Cos. Ltd. to launch President's Choice Financial. "What we did for the chocolate chip cookie, we're going to repeat for banking—offer better quality at a better price," says Robert Almada, a Loblaw vice-president. The Royal Bank and Bank of Montreal are also flirting with in-store banking.

Loblaw has tried the idea before:

Raiding at Loblaw's convenience and competition



PHOTO BY PHILIPPE BOUAFIA

Kitchener, Alberta and Sudbury, and ends at 20 per cent in Newfoundland.

Mesaline, tremors rippling through world markets in recent months appear to be cooling investors' affection for mutual funds, which account for about a third of RRSP contributions. Net sales of mutual funds in June again dropped a whopping 35 per cent from the same period last year, ringing in \$3.1 billion. Analysts said investors remain wary about the impact of Asia's financial crisis on stock-based mutual funds and are waiting to see whether interest rates continue to climb. For now, the 3.5-per-cent rate on some guaranteed investment certificates already rules them an attractive parking place: for cash while they decide on longer-term RRSP investments, observers said. Fund sales were expected to be higher in February as Canadians rushed to meet the deadline for RRSP contributions.

FORECAST: **ON-LINE INVESTING** The popularity of investing through the Internet will explode over the next four years, with the value of assets managed through the worldwide computer network rising to \$972 billion from \$172 billion today, according to Cambridge, Mass.-based Firstcall Research Inc. The independent firm predicts the number of on-line investing accounts will grow to 14.4 million from three million over the same period. Some 930 companies worldwide now offer on-line investing services,

Money Talks

Family fortunes

Canadian baby boomers stand to inherit hundreds of billions of dollars over the next 20 years, according to some estimates. Stephen Gadsden, a Toronto-based financial planner, and Philip Gates, a chartered accountant from Aurora, Ont., offer advice on what to do with that money in *The New Heir's Guide to Managing Your Inheritance* (McGraw-Hill Ryerson Ltd., \$21.95). Eight million Canadians will leave bequests averaging \$60,000, the book says. Along with tips on how to preserve that money and increase its value, the authors discuss the legal issues and family conflicts that can accompany inherited money.

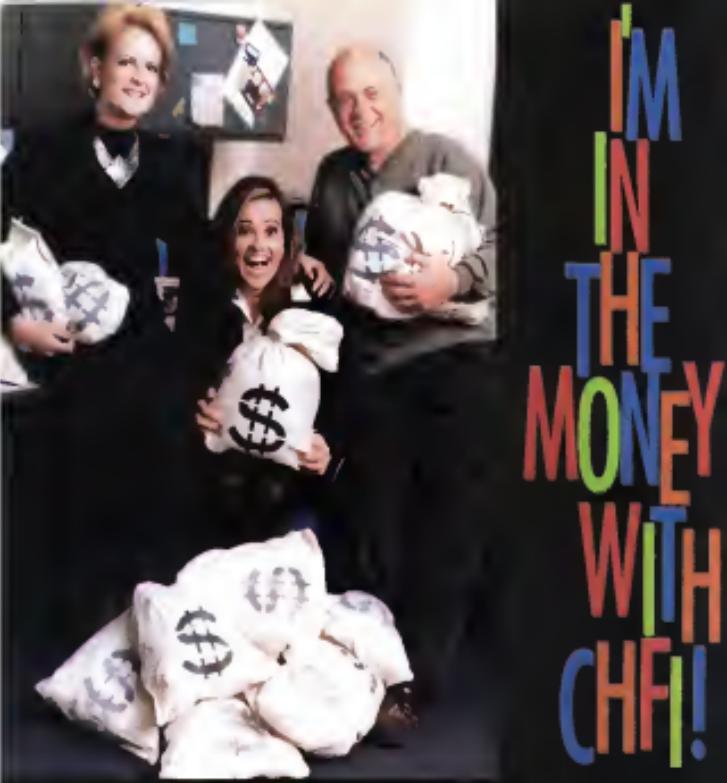
Tips for travellers

Reports in Detroit, New York City, Chicago and Boston are the word in the United States, a survey of 90,000 travellers by Los Angeles-based Pleg Research Inc. found. The best, judged on eight qualities including speed of baggage-handling, cleanliness and signage, Tampa, Fla., followed by airports in Pittsburgh and Charlotte, N.C. Meanwhile, Rungtawan International, a Rochester, Minn.-based management consulting firm, calculated the per day cost of meals and lodging for the business traveller in several Canadian cities:

	\$200
Calgary	\$182
Winnipeg	\$184
Vancouver	\$194
Toronto	\$246
Halifax	\$255

RRSP deadline delayed

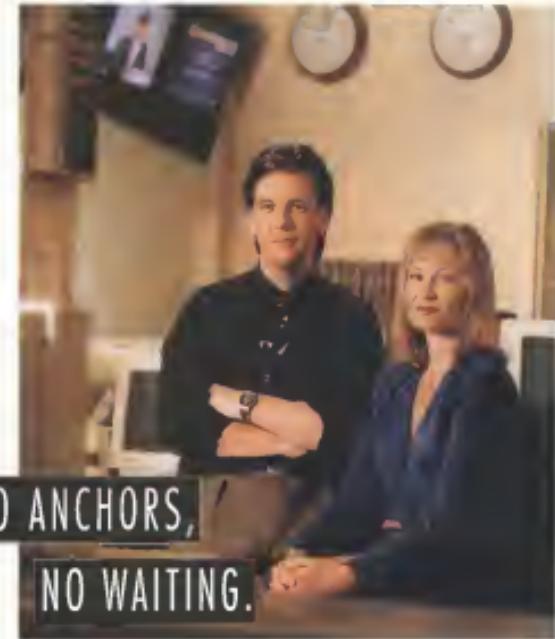
Canadians affected by January's ice storm have an extra month to make their RRSP contributions. The postal codes begin with the letters B, E, G, H, J or K have until March 31 to contribute, Revenue Canada announced. The deadline elsewhere is March 2. This affected by the extension law in New Scotia, New Brunswick, Quebec and eastern Ontario. The extension also applies to soldiers and hydro workers who took part in storm relief work.



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The Nation's Business



Peter C. Newman

MAI: a time bomb with a very short fuse

The inability of negotiators in Paris to finalize the proposed Multilateral Agreement on Investment gives Canada a welcome chance to stand back and consider the treaty's various consequences.

Ottawa has been virtually silent on the issue, presumably following the same advice we were given in a secret PBO memo, leaked to Maclean's when the Canada-U.S. Free Trade Agreement was being negotiated in 1988. At the time, Brian Mulroney's advisers told their master: "It is likely that the higher the profile the more efficient, the lower the degree of public support will be. Foreign neglect from a majority of Canadians may be the realistic outcome of a well-executed communications program."

That has certainly been Trade Minister Sergio Marchi's approach, and it has worked up to now. Considering that 29 countries, including Canada, have been negotiating the new trade accord since May, 1995, the proceedings have been kept amazingly secret. There has yet to be a full-scale parliamentary debate on the issue. Given that the house of that country had arrogantly been relegated to senior civil servants, apparently with a mandate to sign the country over. They have done virtually all the negotiations to date, and no one with any degree of public accountability has been present at a single ink. This is not surprising; it is stupid.

Nobody seems to understand the likely impact of the MAI. Reading the draft treaty, I kept thinking it would either a) give Tom D'Agostino's ultimate dream come true. To be fair, D'Agostino and the Business Council on National Issues that he heads, have been surprisingly quiet on the issue. When I called to him about MAI, he could only say "The fundamentals of the Multilateral Agreement on Investment have been around for years. All that stuff about reciprocal access to each other's economies, none of it is really new."

And yet MAI has been painted by the left as this great Satan. To say this is going to be the final screw-down, and that we're going to lose our sovereignty to anadine, absolute nonsense. It's only through economic reorganization, only through being economically stronger, that we have the best chance of protecting our independence and our sovereignty.

His argument is valid, in terms of the notion that only the strong can survive in a global economy. But the question remains whether any self-respecting country can sign such an agreement. Unless it doesn't mean what it says, and it is a statement of philosophy instead of intention, its proponents will rob national governments of the ability to impose sovereignty in-

side their own territory. Once that's gone, what's the point of preventing you're still a country?

If we sign the MAI as it is now written, the threat to Canada could for outweigh the potential harm of Quebec separation. The Supreme Court of Canada ought to be examining the legality of such a treaty, instead of the largely symbolic case of Quebec's possible unilateral declaration of independence.

The heart of the MAI is that there ought to be a difference between domestic and foreign investors in any of the 19 countries that make up the Organization for Economic Cooperation and Development. That could mean an end to protection for any cultural sector or parts of the remaining currently covered by domestic ownership rules. Everything would be wide open in such a Darwinian world, up for grabs to the highest bidder. In all likelihood that would be some U.S. transnationals, which would beat our most treasured institutions with all the subtlety of a Georgia Klan. Carla Hills, the US trade representative, recently gave cause for concern when she warned us of American trade intentions this way: "We want corporations to be able to make investments overseas without being required to take local partners, to export a greater percentage of their output to one local partner, or to meet a dozen of other domestic restrictions."

The MAI, if it must go forward, goes even further than granting national treatment to foreign corporations. In effect, it endows privately owned corporations with the power—let not accountability—of nation-states. It is no coincidence that 49% of Fortune's 500 leading global corporations are headquartered in OECD countries. (Only Canadian companies—SCE Inc., CIBC, George Weston Ltd., Royal Bank of Canada and Scotiabank Co. Inc.—make the grade.) The MAI would remove many barriers that now apply to these corporate giants, and the ability of the government to freely take action regarding environmental standards, labour laws and patent extensions that otherwise affect foreign investors would be compromised. This kind of situation would not merely apply to big companies doing large transactions in high finance. Its effects cut close to the ground, where we live and work. Wal-Mart decided to build one large square, and the locals won a referendum halting the supermarket's construction. Wal-Mart could then sue under the MAI, and win.

An anger and more Canadians realize the Multilateral Agreement on Investment's full implications, they will demand a national debate about its pros and cons. The Multilateral Agreement on Investment may become law, but it is my bet that its unforeseen consequences will be one of the defining issues in the general election of 2000.

The Supreme Court ought to be examining the legality of signing the MAI instead of Quebec's possible independence

DARK DAYS AT PHILIP

SPECIAL REPORT



plant in Hamilton spews out effluent containing far more than the provincially prescribed limit for lead matter.

Philip has faced down the opposition, relentlessly fending off scrutiny and trying to silence anyone who dared ask questions with a barrage of threats, injunctions and subpoenas. The Francois' released a massive request for an interview from Maclean's Lynda Kahn. Philip's vice-president for corporate communications, said the firm was in "busy times" and could not respond. She also claimed that Maclean's was relying on information from a disgruntled ex-employee who was being used by the company.

At the edge of Hamilton harbour, where smokestacks stab the sky and the air has a metallic tang, lies a blocky little avenue called Bent Street. It was once a low-income neighbourhood, home to the men who worked in the steel mills. Alton and Philip Francois grew up there. Today, where the family home once stood, is a holding yard for the brothers' Philip Services Corp., the boys from the hood made good. They started with a small trucking firm they took over from their father. Within 20 years, Alton and Philip Francois rose to be chief executive and chief operating officer, respectively, of a multinational empire. In the past two years, Philip has taken over an astonishing 39 companies, and now has interests in businesses as diverse as demolition and water treatment. Today, the Francois brothers park their sleek sports cars outside huge stone houses in Ancaster, an upscale suburb of Hamilton.

The company was born as Philip Enterprises in 1986 when the Francois started making money by hauling loads of industrial sand—used in asphalt mixtures in the steel mills. They dug sand at the sand in their own yard, filled it through for iron and steel castings, and sold what they had back to the mills. They called it "recycling," just in time to catch the wave of great fever that swept the country throughout the 1980s. There was money to be made in other people's garbage. Philip expanded until they had operations in recycling, reuse or recycle almost everything, from pop bottles and cardboard boxes to the detritus frag end-of-life harnesses.

In its environmental policy, Philip promised to "be open and operate with integrity by protecting public health, safety and the environment." Investors, looking for environmentally friendly investments, rallied to pledge their funds. And Philip followed more than just a green solution: it was also dangling the promise of new jobs in Hamilton, a city struggling with huge industrial layoffs. Not to mention responsibility in a region still reeling from its pollution problems. The strong recycling industry helped the region of Hamilton-Wentworth win recognition from the United Nations as a "modelable community" in 1989. And as cost-conscious Ontario sharply cut back its environmental inspection staff, Philip boasted of its green policy and pledged to monitor itself. Everyone wanted to believe in the promise of Philip Services.

Has the promise been fulfilled? In April, 1996, the company acquired dignitaries of a sort in Hamilton where it announced it would build a \$50-million factory to recycle the dust from electric arc furnaces—used to smelt scrap metal. The iron and iron from the dust—classified as a hazardous waste by the province of Ontario—would be reclaimed and sold, Philip said. The harmless leftovers would go to landfill. There was also a bonus: the Francois promised that the enterprise would create 120 new jobs.

William Saunderson, then-Ontario's Economic Development Minister, attended the ceremony, where Philip Francois said the use of the groundbreaking technology would show the company's "angus commitment" to the environment. But two years later there were no signs of the factory. In 1997, Philip transported 51,000 tonnes of its dust stockpile to Sarnia, Ont., putting 17,000 into a hazardous waste landfill and 34,000 into an industrial waste dump after chemically stabilizing the dust so that, under environmental ministry regulations, it was no longer considered a hazardous waste. As of the beginning of 1998, 72,000

Setbacks rock a huge waste-management firm

BY JOHN NICOL AND STEPHANIE NOLEN

All through the day and long into the night, fleets of trucks thunder through the streets of Hamilton and down into its industrial heart. The trucks load lead after load of waste to the sprawling industrial yards of Philip Services Corp., a local success story hidden amid the clanging steel mills that line the city's harbour. This little Hamilton firm, born of a two-truck hauling company, grew to become a world leader in the field of industrial services, traded on the New York and Toronto stock exchanges. President Alton Francois and greedily last year that Philip was one of the fastest growing companies in the country. It was the largest resource recovery and industrial services firm in North America.

They have had some setbacks—lately, in the field of bad news (page 56). On Jan. 27, the company announced an after-tax loss of \$69 million to \$60 million worth of restricted copper. That figure, the firm acknowledged, included \$60 million worth of restricted copper that Philip could not account for. That much copper—58,000 tonnes—would fill an estimated 2,500 dump trucks. It was the first crack in the shiny surface of a company everyone wanted to believe in—and there was more. Since early February, six different classification levies

have been filed against Philip, on behalf of the needs of disgruntled shareholders who say they were seriously misled about the company's inventory and its financial health. And as speculation has mounted about the company's future, Philip stock has tumbled—to \$33.50 at year's end from a September high of \$32.80. Sources have also told Maclean's that the Ontario Provincial Police, Revenue Canada, the Toronto Stock Exchange, the U.S. Securities Exchange Commission and the RCMP are all investigating the company. Suddenly, Canada's waste-management kings seem to be in trouble in a muck.

Some residents of Hamilton, watching the company's recent financial troubles, say it was only a matter of time—and that Philip was never what it seemed. It remains, to be sure, a corporate powerhouse: a \$4.3-billion firm with 12,500 employees and 300 operations across Canada, in the United States and in Europe. But its history also includes some troubling skeletons. Almost two years after Philip announced with great fanfare that it was starting work on a cutting-edge plant in Hamilton to recycle metals from electric arc furnace dust, the facility remains unfilled. A similar plan to recycle old paint in British Columbia has ended, after unsuccessfully for five years before being shut down in 1996. The critics note that Philip has promoted its environmental image—but its sewage-treatment



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Alton and Philip Francois, the brothers behind the waste management company that's been hit by a series of setbacks.

tones of the dust still set in Philip yards.

The company has since delayed construction of the reprocessing facility because of reports that superior technologies will soon become available. But Mark Winfield, director of research at the Canadian Institute for Environmental Law and Policy, questions that explanation. "One would expect that a competitive enterprise in this business would be internally acquainted with the technology available, its effectiveness and its cost," he notes. Philip now says it will be bringing in new technology from Britain, where it bought a metal recycling company, Allied Metals Ltd., in January 1990.

In this textbook example of a practice critics call "greenwashing," waste-management firms often claim they will recycle a product, or that they will soon be able to, explains Beaten Naderijk, counsel for the Canadian Environmental Law Association. "Then they are exempt from regulatory control." Only saying materials are bound for recycling, a company can store or transport them without many of the restrictions that would apply to the same substances if they were waste.

It can also be lucrative—as Philip's paint recycling operation in Surrey, B.C., shows. In 1981, Philip bought a local firm that had tried and failed to recycle old paint, and promised to make the process work. The company used it's job to burn the paint, planning to extract bitumen residue for sale to manufacturers to make new paint. But that proved too difficult and costly. Then, Philip's staff unsuccessfully tried to say the ash is a base for low-grade industrial paint. This, however, failed because of conflicts in the ash, resulting in a powder with the consistency of glue. Finally, the company said it would send the ash to a hazardous-waste landfill, while it tried to develop another method for recycling paint. Five years after Philip first promised to recycle paint, the ash was still going to landfills. But meanwhile, sources say, the company made an estimated \$1 million a year on



the paint operation. Philip was paid \$365 a drum to haul the old paint away from manufacturers and auto-body shops, and they put the ash in a landfill site for only \$45 a drum, excluding labor and transport costs. The plant was finally closed in 1986; Philip employees at the company's South of the Border, which managed the plant, refused to comment on why it was closed or to say whether it had ever actually recycled paint.

If a company could lose 56,000 tonnes of copper, what could happen with its ever-increasing stockpile of hazardous electric arc furnace dust? That question, asked by environmentalists, only undermines the rocky relationship Philip has always had with its critics. In fact, Winfield and Naderijk suggest it is stretching the defi-

Singer (above right) on his testimony: Philip shuns any suggestion a manufacturer's expense that has taken a hard line against opponents

loring letter in defense in big oilups rather than cowards signs.

But the final blow of the write-down was a different matter—\$88 billion worth of copper the company admitted it could not find. Essentially, this meant that Philip had done a 180-degree turn, admitting the allegation it had denied so vehemently only weeks before. It raised the question of how any competent operator, let alone the biggest trailer in the business, could lose track of that much copper. Beyond anything else, this revelation "speaks more to the hands-on ability of management to effectively run the business and keep its eye on the underlying operations," says New York City investment analyst Steven Gluckstein. "I think Philip is going to have a lot to hand back ahead in terms of regaining credibility from the investment community."

Some industry analysts issue警告 that it is possible the copper listed on the Philip books never existed. The insulation sheet backlog, once seen as a positive message in financial markets, akin to being seal-

million in over half Philip as "environmental" business. "You have to look at what's been recycled and what's ended up being disposed of," Winfield says. Philip might more accurately be described as a waste-processing outfit, he says—and sometimes such industries have a net negative impact on the environment. "These hazardous waste recycling processes can produce a wide range of emissions and sludges that can then cause a considerable hazard to waste," Winfield explains. "That has to be taken into account."

But given what is at stake, controversy may always be a part of the Philip story. Not only does the company deal with dangerous substances generated in Canada, it is also one of the top importers of hazardous waste from the United States every year. And those base-line statistics: Philip has been convicted four times under the Environmental Protection Act in Ontario for discharging toxic waste into a site not approved by the environmental ministry, and transporting waste in a vehicle that was not licensed, and of four more in Quebec for illegal hazardous waste dumping. Those violations cost the company more than \$350,000 in fines. In Alberta, the company has been hit harder: an employee at the Philip waste-processing centre in Nisku, east of Edmonton, was convicted in 1990 of illegally dumping oil-contaminated soil, and Philip paid a \$100,000 fine.

Critics say that the company's record is open to question



\$12 on the Toronto Stock Exchange on the day of the announcement. It also sparked six different class action lawsuits on behalf of disgruntled investors who want to know what changed between late last year, when Philip was denying stories about missing copper and other financial woes, and Jan. 27, when it admitted the loss. "The sums say that Philip was lying about what their inventory was worth for an extended period of time, that they lied about their earnings and their general financial worth, and people were deceived when they bought stock," says New York lawyer Howard Longman, who represents shareholders in one of the class action suits. These claims are allegations that have not yet been tested in a court of law.

For a few short days, the acknowledgement of the missing copper appeared to

help restore Philip's planned \$2.6-billion purchase of U.S. oil-recovery giant Safety-Kleen Corp. There were prominent names that the Canadian Imperial Bank of Commerce, which had promised financing for Philip's \$280-million down payment on the company's biggest-ever takeover, might pull out. Philip's competitor for Safety-Kleen, Laclede Inc. of nearby Burlington, Ont., smelled blood, and began a tug-of-war over the two-thirds of Safety-Kleen shares needed to clinch the deal. On Feb. 20, however, the bank relented, granting Philip the money it needs to swing the Safety-Kleen deal—with a great number of expensive caveats and conditions now attached.

Meanwhile, Philip's credibility was dealt another blow on Bay Street when, according

Last fall, Philip took over disposal of PCB-contaminated soil for General Electric in Toronto. The company traces the carcinogenic material to St. Andrews in the Saguenay region of Quebec, for burning it as incinerator owned by Vancouver-based Beaten K. Environmental Inc.—even though an inquiry held by the Quebec government has found that test burn results done by Beaten were inaccurate about the effects of burning PCBs. The local community is outraged. Philip trucks were blocked and searched for PCBs on Jan. 21 while passing through Laurentian Prospect Park. "Politically, this is not a good time to be bringing Toronto's PCBs to the riding beside Lucien Bouchard's," says Daniel Green, of the Montreal-based Société pour Vérence la Pollution (the Society to Stop Pollution).

But Bouchard's government has, to some degree, cleaned the way for Philip. Last October, the Parti Québécois unseated the province's long-time Liberal government. PCBs are still regulated, the burning of contaminated soils is not. Philip can transport and process soil contaminated with PCBs virtually unencumbered. "Companies like Philip see a way to make a fast buck, transporting this stuff and burning it," says Green. "And no government is going to stop them." In Ontario, Winfield says Philip also has some lucky breaks from that province's government. He points to a controversial 1990 Ontario Court of Justice case in which Philip successfully argued that the lead-tethered plastic left over when valuable copper is extracted from old cable was not waste—because it could be recycled. That decision means that virtually all recycling activity falls outside the waste-management provisions of the Environmental Protection Act, he says.

In 1982, Dr. George Singer, a biology professor at Hamilton's McMaster University, began a program to teach local high-school students how to test the water quality in rivers and streams. Two years ago, as a class project, the students studied Red Hill Creek, which runs past Hamilton's sewage treatment plant—managed since January 1990, by a Philip subsidiary—and

to published reports in the financial press, company officials allegedly provided a handful of selected investment analysts with information that was not made available to all shareholders. According to the reports, investors had already in mid-February that an internal Phil review would soon show that its copper assets were not in fact been lost—that the copper assets were a paper loss that arose from a "fugitive trader" dealing in copper futures. The company chose shut up in prior with the reports—which Philip publicly denied, noting the fact that some investment analysts continued to stick by their original stories. This means that on top of Hamilton residents and disgruntled investors, Philip can now count on both the Toronto Stock Exchange and the Ontario Securities Commission being among the groups interested in learning more about the company's disclosure practices.

KIMBERLEY MOORE with STEPHANE NGUYEN in Toronto

A tangled financial web

The trouble at Philip Services Corp. began in December when a mysterious, anonymous letter was sent to stock market analysts. It stated that there was a major rift between Philip CEO Alan Freasco and managing partner Robert Wissman, the high-profile head of the company's metals recovery operations. The letter also suggested that Philip had lost a huge amount of copper. Philip vigorously denied both allegations, and announced plans to go ahead with an ambitious expansion. But on Jan. 5 came the announcement that Wissman would be leaving the company at the end of that month. Three weeks later, there was even more shocking news: Philip said it would face a massive accounting write-down for 1991, taking up to \$390 million off its books, and in all likelihood wiping out the year's profit.

The bulk of that write-down was not con-

sidered. Two-thirds of the amount was aimed at cutting a big chunk of financial risk from Philip's books. Philip spent much of the 1990s buying small, family-owned scrap metal and other waste management businesses across both Canada and the United States. Between 1992 and 1993, the company bought more than 30 such companies, and almost tripled in size. The sorts of well-established companies Philip bought, and the high prices it was willing to pay, remind that by the end of 1997, there was roughly \$1 billion in intangible assets—known as goodwill—on the company's books.

Sooner or later, some of that had to go—and Philip, like many other companies,

decided to start with a large lump sum. This sort of move, while a big blow to annual profits, is often seen as a positive message in financial markets, akin to being seal- ingsince Philip's planned \$2.6-billion purchase of U.S. oil-recovery giant Safety-Kleen Corp. There were prominent names that the Canadian Imperial Bank of Commerce, which had promised financing for Philip's \$280-million down payment on the company's biggest-ever takeover, might pull out. Philip's competitor for Safety-Kleen, Laclede Inc. of nearby Burlington, Ont., smelled blood, and began a tug-of-war over the two-thirds of Safety-Kleen shares needed to clinch the deal. On Feb. 20, however, the bank relented, granting Philip the money it needs to swing the Safety-Kleen deal—with a great number of expensive caveats and conditions now attached.

Meanwhile, Philip's credibility was dealt

The company's financial woes are fuel for the fire

explosions into the harbor. The students took samples of water above the plant, and then from a site below where effluent is discharged into the plant into the creek.

The results of that work showed that the plant was discharging relatively high amounts of fecal coliform—bacteria from human and animal intestines—and of the indicator E. coli, both of which indicate the presence of fecal matter. Samples collected by Maclean's on Jan. 31 showed that, on that day, Philip was spewing more than 300 times the allowable limit of those indicators into the creek. "You can see the different color and you can smell it," Soeger said. "It doesn't take a scientist to figure out something's wrong here."

Tom Gobert, director of water and sewage treatment for the Region of Hamilton-Wentworth, says winter levels of *E. coli* are insignificant because sewage treatment plants stop using chlorine to kill the bacteria, instead allowing the cold temperatures to do the job. But Soeger says the Maclean's test matched his results from the summer of 1998—indicating the plant is not doing its job. Since it began to manage the plant three years ago, Philip has itself collected 15 test samples and handed them over to the same regional government laboratory.

Gobert defends the test results, noting that samples are collected both manually and automatically, and he says the facility functions well, just as well as it did when the region can fit the Philip takeover. But employees maintain that the plant's performance has deteriorated—including a rise in the number of times raw sewage has been sent into the harbor. In January, 1998, an unprepared operator shut off the plant's pumps, flooding the basements of 150 Hamilton homes with raw water and sending 180 million litres of untreated sewage into the bay. Carl Slave, Hamilton district supervisor for the provincial environmental ministry, says he would like to hear from workers who led the plant to transgress. "Like any enforcement agency, we can't be everywhere," said Slave, whose ministry's budget has been severely cut by the Ontario government.

In 1996, Philip received permission to turn the Ties West quarry, along the lower Stoney Creek, into an industrial waste dump. The dump, built on fractured bedrock at the edge of the Niagara Escarpment, was bitterly opposed by local residents. Richard Lester, a reporter with the *Stoney Creek News*, keeps a close eye on how Philip is running the site. He claims the company is respecting neither the letter nor the spirit of the environmental ministry's conditions of approval. An important concern for the residents was the hiring of a full-time, onsite independent environmental inspector. Philip only hired an inspector a year after the company opened the dump, and he is on-site for only two-thirds of the time it is open, says Lester, whose paper was shortlisted for a 1998 Michael Award for meritorious public-service journalism for its work on the dump controversy. "There are three or four complaints a month about dust and odor to the ministry, and we don't know what's happening with the leachate [chemically contaminated runoff]—it's a huge job."

But Lester knows that Philip is not an easy adversary. In early 1996, the company threatened the *Stoney Creek News* with a lawsuit

if he continued to write about the Ties West controversy. (An editor pulled him off the story for a week, but after dozens of phone calls and an angry public meeting, Lester was back on the beat, with no more threats from Philip.) Others have also felt the sting. Accountant Michael Ellison, who resigned from Philip in 1994, was served a \$30-million lawsuit for defamations after he wrote a critical letter about the company to the Ontario environmental minister in Oct., 1994. In April, 1996, Philip filed an \$11-million lawsuit against journalist Paul Palango a day before he delivered a speech that the company thought might include the results of some of Palango's reporting on Philip. And Terry Ode, the volunteer host of a local cable show in Hamilton, found himself unmercifully pulled off the air hours before show time one night in 1995, after a series of protests about the Ties West. "Philip exerted a lot of influence in the political process in Stoney Creek, and I was criticizing their dump," he says.

In the end, Philip's information campaign backfired. Instead, a galvanized group of people who are determined to be watching, keeping close track of the company's every move. Even at the sewage and wastewater plants, concerned employees have risked their jobs in private journals and community groups with summaries for training. Peter Yensen of Local 772 of the International Union of Operating Engineers, which represents plant workers, says Philip's modus operandi is "management by intimidation." Those more generous with their time say they've taken over than 100 hours with any 30 other collective agreements put together.

But Philip has nurtured connections to high places. In 1995, the company was the third-largest contributor to the Progressive Conservative party in Ontario, sending the Tories \$130,000. (Comparing its bets, Philip also gave the Liberals \$12,000, the NDP received \$6,000. Tony Shorica, a maverick Tory MPP from Wentworth North, says there is a price to be paid for being on Philip's side. He ditched both Philip and advice from a Tory cabinet minister to go public about the company's environmental record during the fight over the Ties West. Philip's lawyer, Herman Tarlton, showed up at Shorica's office with a list of names of 80 Philip employees who lost in his ruling. "He was scared to tell me that all 80 people and their spouses would be voting against me in the next election if I continued to raise Philip's negative image," says Shorica. He was also subpoenaed by Philip in the Hilson lawsuit, and was grilled by Tarlton as though he was "part of a large conspiracy." Shorica says he was shocked by the tactics—he says that in 10 years as an MP, let alone his own career as a lawyer, he had never seen such behavior from a company.

Philip's financial woes, meanwhile, are fuel for the fire for the citizens who watch. "Every day regular people stand up to these guys and say, 'We're noticing this happen'—and every time they do," says Ode, who also covers Philip for the Hamilton alternative weekly *View*. "But now, we're getting up off the couch. They're just not getting away with it any more." These are fighting words—the lead the Fraassen brothers used to have growing up on *Broad Street*.

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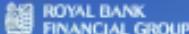


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Weather



Higgenberg broadcasting 'The Herb Show' to the Caribbean from a basement in Burlington, Ont.

Calling all sailors

When Elvirey Higgenberg is plotting a weekend harbour at her home in Hamilton, Bermuda, she's "not even making up" it's "as accurate as the weather forecast," she says. In fact, she can't wait to get back to the business of plotting, social events, self-provide her with a reliable forecast for the next few days. Oddly enough, Higgenberg is based not in the Caribbean but in Burlington, Ont., 50 km west of Toronto. In fact, Higgenberg is not in the business of weather predictions at all. The daily forecasts that he provides for sailors crossing the Caribbean or across the Atlantic are his hobby—after all, it's something he's done since he was 12.

The man who inspires such loyalty is a 60-year-old retired engineer, a trim, rotund figure who recently gave up a 25-year-old pipe-smoking habit but still smokes about 10 cups of coffee a day. Born in Germany, he learned to sail at St. John's, Nfld., where he lived until he was 19. After graduating in engineering from the University of Toronto, he married his Swiss wife, Brigitte, in 1963, earned an MBA and settled in Burlington. Higgenberg worked for computer companies while sailing in races in his spare time. In 1980, the couple and their two daughters, Elvirey, then 14, and Debbie, then 6, embarked on a trip to the Virgin Islands aboard their 33-ft sloop, Southern II (Leaving Beaulieu), N.C. They soon found themselves in gale conditions, 60-knot winds and massive storm waves. They avoided disaster, but the experience spurred

pleasure sailors and commercial boaters, the answer to you. Using high-frequency single-sideband radio, Higgenberg makes contacts with 60 to 70 boats a day, advancing his knowledge and suggesting safe routes. Handbooks of other boaters focus in. Our traditional friend Joe Bass, skipper of the U.S.-based Sea Team, was impressed: "You sailed 100,000 sea miles, but I've told 100,000 people to go around and down and back like a dog," he said.

A hobbyist's broadcasts save lives at sea

The man who inspires such loyalty is a 60-year-old retired engineer, a trim, rotund figure who recently gave up a 25-year-old pipe-smoking habit but still smokes about 10 cups of coffee a day. Born in Germany, he learned to sail at St. John's, Nfld., where he lived until he was 19. After graduating in engineering from the University of Toronto, he married his Swiss wife, Brigitte, in 1963, earned an MBA and settled in Burlington. Higgenberg worked for computer companies while sailing in races in his spare time. In 1980, the couple and their two daughters, Elvirey, then 14, and Debbie, then 6, embarked on a trip to the Virgin Islands aboard their 33-ft sloop, Southern II (Leaving Beaulieu), N.C. They soon found themselves in gale conditions, 60-knot winds and massive storm waves. They avoided disaster, but the experience spurred

DANIE TURBIDE/Burlington

Higgenberg to a deeper study of weather. "I thought, how can a sane man take his family to the high seas and risk everything?" he says. "There simply wasn't enough information available."

When the family moved to Bermuda in 1984, Higgenberg started his marine forecasting on a part-time basis. Two years later that the U.S. navy's Bass first started listening to what everybody called "The Herb Show." "The U.S. government was spending millions of dollars on meteorological and hydrological data," recalls Bass with a laugh. "And here was this guy, hobbyist, heating them hands over." It was the start of a fruitful relationship. In April, Higgenberg will give his third annual lecture at the U.S. Naval Academy Sailing Squadron. This year, he will focus on unusual weather, including the infamous 21-Nine factor, which Higgenberg sees as a "very overgeneralization of a complex set of patterns."

Since his return to Burlington in 1984, Higgenberg's "show" takes up about eight hours a day, seven days a week. He begins answering various sources of weather data—including restricted files not allowed to get from the U.S. navy's database—by 11 a.m. Then, from 3 p.m., he gives a three-hour broadcast that help people understand what they're going to experience, Higgenberg says. "I tell them that if you do this, you might face six hours of bad weather instead of 10 to 12, at the end of the day, they tell me 'Ehck, you called that one exactly,' that's my reward."

Although his only reward is applause, Higgenberg offers his services free, although gratefully accepting modest donations that cover most of his \$70,000 annual costs. His home is filled with plaques, awards, photographs and memorabilia. When asked if Higgenberg himself has a hobby, he never fails to beatenly whine that upcountry is the downside.

She also handles the volunteerism end,

she says. From people whom Higgenberg has had a direct hand in rescuing. Last May the U.S. Coast Guard in Mi-

ami sent a letter of commendation for his assistance in rescuing a disabled boat and guiding it through a 20-hour ordeal, one of many such stories. Another case involved a British man in U.S. waters whose wife of 30 years died of an aneurysm en board. After a survey ship measured the body, the coast guard, worried that the straightforward road could not be made, asked Higgenberg to monitor steady contact with him on the three-week trip back to Britain, says Higgenberg. "I let a commissary to all three people."

So much commitment, in fact, that he has had only one day off since last June. After much persuasion, Higgenberg's wife recently dragged him off to a Sunday respite. The result? Blame.

Awaken to Northern Ireland



Castles and cottages, mountains and moor-

teries, island-dotted lakes and lush gardens, pastoral villages and bustling cities, scenic walking trails and glorious, golf-green, verdant glens and rolling farmland, easy seaside

inns and elegant Georgian manors —

Northern Ireland is a feast of pleasures. This small country, a mere 136 kilometres from top to bottom, offers a cross-section of what Canadian travellers seek when they go abroad.



Northern Ireland
Tourist Board



A rich heritage is evidenced by Stone Age tools, Celtic crosses and Norman castles. These poignant reminders of the past are combined with vibrant cities that offer the best in museums, shopping, nightclubs, restaurants and accommodations. And these urban pleasure-seekers are balanced with country visits that take in what is arguably some of the world's best scenery and the opportunity to enjoy an abundance of outdoor activities. Whether it be the tranquil pleasure of walking, breeding or visiting famous gardens or the ambitious pastures of tackling a mountain park, meeting the challenge of measured horse courses, or standing waist deep in a wild river trying for a trout, Northern Ireland has it all.

There are some places in the traveller's world where the road includes and Northern Ireland is such a place. This is not a straight highway made bumpy with exit signs but a meandering, peaceful road through a country with hidden treats — a heritage site here, a breathtakingly beautiful landscape there, or a village pub where a quick stop turns into an afternoon of swapping tales with the locals.

There is only one downside to a driving tour of this green land, you may find several places that you don't want to leave. Rent a car, have a gasoline barbeque. Here's some highlights of an automobile sojourn through Northern Ireland.

Regal Belfast

Belfast will surprise you. There is a special charm to this northern city that became during the industrial revolution. Today it is still a thriving port — it has the world's largest dry dock — at the mouth of the Belfast Lough just a stone's throw away.

Their pride in their entrepreneurship is evident. City Hall, don't miss Belfast Castle on Donegall Place for its fine art for pasture, and visited the art at the Ulster Museum. As well as showcasing history, the museum presents an exciting future, gardens located in one of Europe's finest glass and steel structures.

It is a pleasure to漫ue the wide pedestrian malls of Donegall Place, and Donegall Plaza to enjoy street entertainment and a world of shops from high-end designer to traditional antique radios. As you stroll the city streets look up to enjoy a unique architectural odyssey. Victorian and Edwardian facades as Belfast is a city of architectural splendor. Nowhere is this more evident than on the campus of Queen's University, a peaceful retreat with its softly-hued brick buildings and Tudor dorms. However, the campus is only such when it hosts the country's largest art festival, the Belfast Festival at Queen's. A 10-day extravaganza of talent with everything from jazz, blues and comedy to opera, lectures and drama.

Visit Belfast prepared to be entertained. Whether it be a concert in the new, spectacular Belfast Waterfront Hall or a pub stop where the atmosphere is good thanks to Irish music — as well as Irish whiskey and Guinness. And the ales here will let you down either. The pubs gradu-

ally change — snugs, bars, fish houses and "dubs" (pubs covered with canopies and served with canapés) — but there is also fun doing the potato international census. These cultures truly won't hurt the pocketbook; a three-course meal and perhaps, fish and chips with beer can cost around \$30-\$35.

The backstreets of Belfast full of costume gone. There is a welcoming naked here that can found in every direction.



More than the Mountains

Northern Ireland's highest mountain, the Mourne, stands so close to the sea as unmissable in song by Percy French. These gently contoured giants — Slieve Donard is the county's highest at 880 meters — punctate the coast of County Down south of Belfast. The pretty coastal town of Newcastle is a link for explorations that include gentle walks or arduous hikes in the Mourne and lovely coastal drives that take in the lively fishing port of Kilkeel and the remains of 12th century fortresses and of Dunluce Castle.

Golf is the game in this part of the world and a highlight is the once-a-century-old Royal County Down Golf Club. It is famous for the challenge of its greens as well as the views of the Mourne and the Irish Sea — that is a course-in-a-lifetime golf experience.

In County Down one can follow the footsteps of Saint Patrick who arrived c. 432AD and established his first church at Saul. A peaceful idyll is now nearby Downpatrick is the site of the Saint's grave, on March 17 the simple slab of granite is studded with daffodils.

It's Hard to Miss the Ards

One of Northern Ireland's best kept secrets for nature lovers is the Ards Peninsula. A slender finger of land that sweeps around Strangford Lough, the Ards is an hours' drive from Belfast and, as its name says, it's a wedge of land that reaches far into the sea. The Ards is a haven for bird life and both the Ards and the Glens of Antrim are popular paths to reach the mainland. Within its 16,160 acres length are twomillion sights and activities. The turbulent waters of the British Isles largest sea inlet set in a haven of

life from waterfowl and sailing boats to seals and sea otters. There are miles of cycling paths, one company that provides bikes and guides, walking, horseback riding, boat trips and all water sports.

An Ards excursion should be a slow one with many stops — a visit to Mount Stewart (a National Trust property that boasts a stately home, magnificent gardens and removal tapestry art and outdoor sculptures), a tour of Eglington, an aqueduct that spans close up miles of the mysterious world of the lough. But a pause near Craggy Roads to watch for seals. Don't miss the Ards.

The Causeway Way

With all the small country byways going for it, one may wonder why a stretch of state-collected road is most visited site. Once the County Council is in, this question is easily answered. The path of 40,000 local cyclists, looking for the shoulder or into the North Sea, has been a hot favorite since its designation was first published in 1983. The distinctive beauty of the Antrim Coast is the

Bonning Place, Belfast



setting for what is probably one of the world's strangest phenomena.

Geologists believe these columns were formed by a series of volcanic eruptions but the local myth is much more romantic. Giant Finn McCool, an Ulster warrior, fell in love with a female giant in a hillside clearing and built this unusual path to reach her. Whether you choose your welcome the Gaeltacht Causeway will be a memorable one. And don't miss the various castles at the World Heritage Site. It includes the geology, flora and fauna along a short walk from the roadside, and



of this natural wonder.

Northern Ireland's country will fill the soul of the road by stranger than along the Causeway coastline, stretching from Portrush to Larne. The Antrim Coast is one of the world's most scenic drives. The leading seaside town of Portrush claims to have the Royal Portrush Golf Course. It is the only links course in Ireland located on sandy shores that passes through all six counties. Thankfully the well-maintained paths or broken stone continue northwards and the Causeway Coast continues — Number 10 in the Northern Ireland Tourism brochure on Walking — is surely one of the most spectacular.

What's in a Name?

To visit the best example of a walled city in Ireland stop in Londonderry. Founded by monks in 248AD, it was claimed by King Edward I in 1260. It was then claimed by the O'Neills of Tyrone which means "Spirits of the cold". By now you know that northern Ireland, part of the island of Great Britain, is a barren, gray land.

Take time to come to the Lough City. With the 12th century wall that encircles the old town, glorious history in the limestone towers, towers, and grand trees in the City Walls to enjoy the world of semi-temporary exhibits as well as crafts of yesterday. As well, marvel at the grandeur of The Guildhall, the showpiece of the city where world leaders have sat in.

**Fermanagh is for Fishing**

Tucked onto the northeast corner of Northern Ireland at a meander of water Northern Ireland has no fresh water and so few boats as that fish-rich region. Lengthy trout is 80 centimetres or length—gained by the mouth of a narrow creek where the rural town of Omagh sits—and a census for fishes. The island-studded and wooded upper lake and wilder lower lake abounds with pike, perch, brown trout and eels. Lengthly trout boasts plenty, ranging sediment rates and unusual species of trout as does Long Naugh.

A working angler's important experience is as easy as going out to fish along for fishing the resulting choices of whether to rent a boat and drift for hours (rent on the Lower Erne) or consider the distance of an island lake where you may have on your fresh catch for lunch. A visit to Northern Ireland can be a fisherman's delight in the fish-rich areas of eastern and western; in this part of the world are available with fish—no fishing or being the best stocked salmon waters in Europe. And, in the way to find out who the fish are are popular a pub and chat with the locals. They'll soon tell you a few fish tales.

As well as the local plaques of the Fermanagh fisheries don't see the medieval Donegal Castle which looks over a cataract, the last standing limestone castle at Maghera. And, the world-famous delicate pottery made at Belleek. A boat trip is a must to explore the islands of the Lower Lough Erne. But, of the nearly 100 surface miles least well-preserved and less legalised roads, seven stone bridges found in Fermanagh, another on White Island and the two local survival Gates while that allow an emergency crossing on Bell's on the east.

"My Sweet Hill"

A visit to Northern Ireland wouldn't be complete without experiencing through the spot trail capital of the country for some 1,600 years. This greatest city dedicated "my sweet hill" by St. Patrick situated south of Lough Neagh and comprising a circular driving tour of the country before returning to Belfast. It is the seat of both Anglican and Roman Catholic archbishop and its local cathedral is well worth seeing as are the plantation, County Down, and elegant Georgian architecture. A stand-out is Saint Patrick's Tower, an exciting attraction that links the history of Armagh from strength and legend to the coming of Saint Patrick and Celtic Christianity.

Close to Cruise

Study one of the most relaxing holidays as a component to any well-planned vacation is a gentle float as a waterway. The delicious fresh crusts in the 60-kilometre Shuswap River. Waterways—a charming link of streams, rivers and lakes—that connects the Blue River to the west with the Great Shuswap in the south. There are no borders between Northern Ireland and the Republic. I fondly lady loads 14 stone bridges, 15 locks and a previous seaport country-side, are the treats along the 13-kilometre peaceful route. Luxury cruises are available for rental and can be booked in Canada.

At Day's End

A lesson will help application of this small country country trying the local scene. A stop at a "B&B" (a natural hotel) to experience a sense of place—the word is connoisseur was my first thought during an initial stay at a B&B. A stay at a bed-and-breakfast or small country inn is called in. By joining the family for tea (Breakfast watering—watercress in fresh tea) is there anything more than a country cottage?

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While your whitewashed, house-style

front-bear, may be slow to a century old, it will have all the amenities such as central heating, telephones, televisions and telephones. However, the pyre will be as living as most of a frequent past having keeping or seeking in the atmosphere of a rolling place of green dotted with deer and peacocks—once covered with sand stone walls. There are some 130 of these traditional natural cottage scattered throughout the countryside. But, it is now, these have many strengths are one of the many you just want you in Northern Ireland.

GETTING THERE:

Air Canada, British Airways and Canadian Airlines International all offer daily services to and from London. Direct charter flights to Belfast are also available. May - October. The following charter airlines operate direct flights from Toronto to Belfast in 1986—Air Transat, Canada 3000, Royal Airlines and Skymaster.

For more information and reservations contact your local travel agent.

FOR MORE INFORMATION:

Complete the reader reply coupon below and fax back to the Northern Ireland Tourist Board at (416) 903-0003 or 1-800-524-8174. Alternatively, visit our website at www.ni-tourism.com.

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Northern Ireland 4

The birth of a nation

1867: HOW THE FATHERS MADE A DEAL

By Christopher Moore
(McClintock & Stewart,
279 pages, \$29.99)



The Fathers of Confederation—risk-takers with vision

Syndicate can be a dangerous thing. Back in 1982, when then-Prime Minister Brian Mulroney and the provincial premiers needed a place to discuss their latest attempt to bring Quebec into the constitutional fold, they chose Charlottetown. The historical echoes, after all, were propitious. Charlottetown was where the original Fathers of Confederation had taken the first steps towards the invention of a new country. Late in the sea-drenched summer of 1864. But, in the end, the goods on that get-together proved only to undermine the future of the Charlottetowners. Sojourner delivered in a national referendum, if barely just one more reminder. One rejected March 1867 accord was another that, when it came to hammering out new constitutions and deals, Canadian politicians of the late-20th century apparently could not compare to their fore-faced counterparts in 1867.

Why should it be so? Were John A. Macdonald, George-Étienne Cartier and the rest simply smarter than contemporary leaders? Or was something else at work? Such questions drove Christopher Moore's 1867: How the Fathers Made a Deal, a fascinating analysis of the messy but effective politics that made Canada 130 years ago. Moore, a freelance historian who lives in Toronto, his first book, Lewisburg Revisited, was the 1982 Governor General's Award for non-fiction, comes to some surprising conclusions. There is currently a widespread cynicism about politicians—a sense that they are somehow too political, always backbiting and compromising and spreading out of both sides of their mouths. But, Moore thinks that, in a sense, today's Canadian politicians are not political enough—at least not compared to those of the mid-19th century. They, he argues, were far more complex and independent-minded lot that is often thought, for the simple reason that they were not bound by the extreme party disciplines that constrain politicians today. The founders of today's NPPPs and MPFs could vote down often odd against their own parties and leaders.

An Moore's close-sighted and valuable account shows this led to some very volatile politics. It also made compromise deal-makers of leaders such as Upper Canada's Macdonald, Lower Canada's Cartier and Nova Scotia's Charles Tupper. Unlike today's pronouncements of pretension, these men could not count on the support of their own legislatures for the deal they were pursuing in Charlottetown. That is why they took the step (perfectly natural for them, but unthinkable today) of inviting their enemies to the conference. And so it was that Upper Canada's great reform leaders George Brown (Ottawa) and his Party Manning of the Freehold Movement and Nova Scotia's Charles Tupper (Halifax) had long been considered anti-Catholic bigots. Seized for long hours around the table at Charlottetown (and later that fall in Quebec City, where the actual details of Confederation were worked out), their old antagonists taunted and caped and compromised their way towards an understanding.

Of course, all was not sweetness and light,

neither at the conferees nor elsewhere. Passage of the new Confederation bill (it had to be approved by all the provincial legislatures) was particularly arduous in Nova Scotia and New Brunswick, where complaints about the dominant role of Central Canada echo to this day. But throughout the process, many of the opposition politicians who might have scuttled the deal were kept outside. And with the approval of the British Parliament (enshrined in the British North

A historian dissects the deal that created Canada

America Act), the new country was born.

Clearly, a number of lessons can be drawn from this story. One is that a successful constitutional accord may well require more than a meeting of the prime minister and his provincial counterparts, gathering in splattered isolation to give the final form to a deal hammered out beforehand by their underlying some broader coalition of opposition politicians and other voices might be required. Moore's book also teaches us what he considers the ill health of our current parliamentary system. He speculates that one of the reasons Canadian politicians are held in low regard is that they are the facile captives of their parties, required to vote as their leader demands. He closes his argument by requiring them to shrug off the iron bands of party discipline—even going so far as to throw out bad leaders if need be. The result, he thinks, could be politics that are far more meaningful and engaging.

Yet Moore singles out certain aspects of 19th-century political life that might bear reworking, a deeper reading of his book suggests that successful constitution making is not entirely a matter of the right technique. The men who met at Charlottetown and Quebec were ignited by a vision somehow they found the political will to create something new and vital. In doing so, several of them risked their political careers, and lost when disapproving voters ejected them from office. It remains to be seen whether today's constitutional-makers, made timid by the failures of 1949 and 1982, will dare to risk as much.

JOHN REMROSE



Halfwit on the run

THE WRONG GUY
Directed by David Steinberg

Movies filmed in Canada usually fall into two camps: domestic productions that have a distinctly Canadian sensibility, and Hollywood productions that are shot in locations dressed up to pass as American settings. *The Wrong Guy* is an odd hybrid of the two. It's a Canadian comedy—the producer, director and star are all

Canadian, as is the style. But the characters, and the film's Toronto-area locations, are meant to be American. Not that there's anything wrong with that; movies, after all, are in the business of make-believe. However, while full of funny bits and pieces, *The Wrong Guy* seems rather gormlessly confined in more ways than one.

Essentially, it's a movie parody created by comics who work in television. Dave Foley (*NewsRadio*) co-wrote the script based on a

distressing irony. The result is a movie that can't make up its mind whether it wants the audience to follow the hero along his twisted path, or simply sit back and enjoy the broad, as-groanome-as-can-be comedy.

Harry Birber (Hansel), a former newspaperman, has just gotten out of jail after serving two years for a wrongful conviction. Framed by corrupt municipal politicians in Palmetto, Fla., Harry is today unemployed and—desperately—single (Reba McEntire's *Shout*) walking his mean green spider beetle, Marla—on a pay-in-Christmas Mrs. Malvony—up a rutherford-but-tumbleweed blonde bombshell, a trophy wife of a rich old man. She approaches Harry with a plan to stage a fake kidnapping of her teenage daughter, so that the two women can split the ransom money. No one will get hurt, she promises; the daughter will simply disappear for a few days until the ransom is paid. She offers Harry a healthy fee to be the telephone voice of the kidnapper and to pick up the money. Naturally, the plan goes horribly awry, and Harry is embroiled in a muddle of amorous complications that are luck is about to change and Elizabeth Shue and Jennifer Tilly in *Hairspray* proves that imitation is not always the sincerest form of flattery, in fact, sometimes it's downright insult.

Schindler motivates the stylistic elements of the gags with ease: a complicated plot, a main character walking a moral tightrope between the law and the lawless, tough talk and atmosphere to burn. The look of the film, meanwhile, is darkly alluring. But, not content to merely mimic the form, the director veers off into the land of the Coen brothers (Fargo)—complete with their trademark cartoon violence and

distressing irony. The result is a movie that can't make up its mind whether it wants the audience to follow the hero along his twisted path, or simply sit back and enjoy the broad, as-groanome-as-can-be comedy.

DANIE TURNER

Cunning little vixen

PALMETTO
Directed by Volker Schindler

Chisholm has a lot to answer for. The 1974 classic, itself an homage to the 1930s Raymond Chandler mysteries featuring hard-boiled detectives done in by dames, inspired a long line of imitators. One of the more recent additions to the genre, last year's *LA Confidential*, proved that good acting, a cunning script and a sure directorial hand can inject fresh life into an old form. Now, celebrated German film-maker Volker Schindler (*The Tin Drum*, *The Baedeker*) ventures into the territory with *Palmetto*, a movie that is both a paean to and a parody of the America film noir. Starring Woody Harrelson as an ex-con who thinks he's lucky to be charged and Elizabeth Shue and Jennifer Tilly in *Hairspray* proves that imitation is not always the sincerest form of flattery, in fact, sometimes it's downright insult.

Schindler motivates the stylistic elements of the gags with ease:

A TV slot that he first developed for *The Kids in the Hall* and for *Whose Line Is It Anyway?*. David Steinberg, the Emmy-nominated director of *Mad About You*, it has had big success writing since 2002's *Greg's Embarrassing Journey*.

Foley stars in a wacky, dim-witted Cleveland insurance salesman Nielsen, who becomes a fugitive in his own mind. After throwing a tantrum over failing to get a promotion, he barges in on his boss, who has just been stabbed to death by an intruder. Nielsen becomes hysterical, pulls the knife out of the body, tries to shave it back in, then runs from the building covered in blood. Unaware that a security camera videotaped the real killer (Kalin Peacock) in the act, he goes on the run. Convinced that he cannot prove his innocence, he heads south, and into the arms of a farm girl (Jennifer Tilly), a war-torn cop (Erica Durance) only slightly less brainless than he is.

As a spoof of the fugitive road picture, *The Wrong Guy* is more albeit, and less step-stick, than most movie parades—it's a sort of *Mad About You*. There are some good running gags. David Anthony Higgins (Ozark) plays a police detective who treats the民族 as an excuse to pad his expense account at strip bars, escort agencies and a Broadway musical of *My Fair Lady*. And cameos from *SNL*'s Joe Piscopo, Rick Roberts (the *It's Always Sunny in Philadelphia* star), Kristin McDonald and the band Barenaked Ladies keep the farce percolating along.

But the movie is really no more than a series of sketches stitched together by the repeated story of Nielsen'sopathy, a joke that wears thin. And Foley's character is an oddly unaffected, and so dams punk, that he might as well have been Canadian.

BRIAN D. JOHNSON

Stories that matter

A production trio wants to make a difference

There is a pleasantly artsy feel to the offices of FrontRow Entertainment, home of the hit series *Madam Secretary*. Sunlight streams through tall windows and framed glass pell-mell to warm the grey marble hallways of the seven-story floor space in Vancouver's arty-gritty Gastown. The company's three principals—former radio journalists Mickey Rogers and documentary filmmakers Helene Cyriano and Terri Woods-McAtee—occupy a decidedly unpretentious space. Yet like the leads in their long-running teen drama, who have outgrown high school and are attending their third and final winter session with the dimensions of young adulthood, Rogers, Cyriano and Woods-McAtee—after toiling, finally—feel themselves preoccupied with a future offering exciting new opportunities and unprecedented risks in equal measure. This week, the three should be celebrating a remarkable nine nominations in the Feb. 28 to March 3 Gemini Awards. Instead, they are interviewed, says Woods-McAtee, in "an ongoing debate about what we want to do next."

The trio's creative collaboration, begun over brunch nine years ago, has already proven the mettle where it counts most: on screen. FrontRow's production spending, roughly \$11 million in 1997, is small in comparison to such Canadian giants as Toronto-based Alliance and Atlantic, but the Vancouver group has won an enviable reputation for intelligent storytelling and well-crafted production that is reflected in the Gemini nominations. By comparison, industry leader Alliance, with TV production spending of \$182 million last year, has 22 nominations for the statuettes, awarded for excellence in Canadian television production.) *Madam*, a grittier, more honest counterpart to *Brooklyn Nine-Nine*, collected six nominations, including best dramatic series, a category in which it is up against *North of 60*, *The Unit* and *The Gate*. *Madam* has come on top of the more than two dozen international awards the series—seen or scheduled for airing in 85 countries—has already accumulated. A second show, the engaging *Adventures of Stanley*—about the fictional detective's great grandfather, and produced in partnership with Winnipeg's Cinedigm

television—garnered three Gemini nominations, including one for best performance in a youth series for 14-year-old star Merritt Wever, a blonde ingenue from Ontario. *Madam* begins airing in Britain in April and in the United States in August.)

But if Wever's success has guaranteed

"more work," as Rogers puts it,

"we're independently funded. But I'd like to play in the sandlot with the big kids too." As Wever's mom says, "We're fully independent. But I'd like to play in the sandlot with the big kids too."

Whatever the eventual verdict, the three FrontRow women seem determined to preserve the passion—a word they all use frequently—that has informed their partnership since the get-set. Says Cyriano: "The reason I got into this business was to raise a difference." Rogers speaks of a desire to "make stories that really matter." And when Woods-McAtee describes the projects that attract her, she says, "I like stories that have emotional depth, where the stakes are high and we see what a person is made of." She adds: "We don't want to do violent series, or stories that are exploitative. We don't want to do blow-dried thrillers."

It probably makes a difference as well that all three partners are women with relatively young children, and that two (Rogers and Cyriano) are single mothers. Meeting a reporter earlier this month, Cyriano apologized for the untidy appearance of her seven-year-old daughter, Martha, who was suffering a cold and had come to work with her mother instead of going to school. "We're all half-baby parents," jokes Rogers. "We each have one child." But the happily nuptiate clearly dedicates the importance of all three attack to raising children, both in the personal realm and with their shows: "We're all about relationships," says Woods-McAtee. Living down in would give FrontRow the clout it needs to tackle more ambitious projects and to break out of the youth-oriented green niche where it has prospered until now. "In this business," says Rogers, "you're really aware of how big companies are. We're competing with the Disney's, the Warner Brothers, the Viennas."

Giving more credit, the three would have no shortage of candidates for development. One series they say is already "close" to securing a broadcast commitment is tentatively titled *Amber* and deals with a female bounty hunter. "It's much more than a chick with a gun," says Woods-McAtee. "It will be edgy." In the works as a possible television movie is the story of Florence Lawrence, the last woman to be hanged in Alberta. FrontRow also holds the rights to *The Canadian Classroom*, Ontario writer Denise Chong's heartwarming account of three generations in her Chinese-Canadian family.

At the same time, the FrontRow trio is keenly aware of the risk of creating a purview—especially a large, well-financed one—into their business. On the one hand, says Cyriano, there's the allure of "having enough time and resources to seize the opportunities coming our way." But with it, she adds, comes the challenge of "not being seen up." As Woods-McAtee says, "We're fully independent. But I'd like to play in the sandlot with the big kids too."

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Madison, Woods-McAtee, Rogers: wordy investors

that FrontRow can face life after *Madam* with a measure of stability, the three principals nevertheless find themselves at a critical crossroads. "We do have investors knocking at our door," says Woods-McAtee. Looking down in would give FrontRow the clout it needs to tackle more ambitious projects and to break out of the youth-oriented green niche where it has prospered until now. "In this business," says Rogers, "you're really aware of how big companies are. We're competing with the Disney's, the Warner Brothers, the Viennas."

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One series they say is already "close" to securing a broadcast commitment is tentatively

Wall-to-wall news

There is more information than ever on Canadian TV

BY ANTHONY WILSON-SMITH

And now, for those who feel fine when they hear the words "Canadian" and "constitutional debate," huddled together in conversation, some unwelcome late-breaking news don't much that that, because not even television provides anything like relief any more. At almost any time most days last week, anyone tuning in the tube found at least two and as many as four different stations offering reports on the subject. As the Supreme Court of Canada listened to legal arguments over whether Quebec has the right to decline to add uniformly sovereign, two networks—the CBC's Newsworld and its French-language counterpart, the Rseau de l'information—carried the proceedings gavel-to-gavel. That programming, Newsworld head Don Burman conceded dryly, "was appropriate to an event of great importance—but will probably not be a ratings bonanza."

Meanwhile, the country's newest all-news network, CTV's N1, reported on the subject as part of its five-times-hourly all day newscasts. And for Toronto-area viewers, CablePulse TV, the fledgling all-news offering of CHUM Ltd.'s City TV, had a reporter in Ottawa providing regular updates and interpretations.

"All news, all the time," never in the history of Canadian broadcasting have so many stations made such a vow with gusto. And soon, there may be more. The CanWest/Global television network, which serves most of the country outside of Alberta, is hoping to win government approval to operate five regional all-news stations, beginning in the fall of 1998. Take that; its counterparts at the other stations, Ron Mac Donald, Global's vice-president of news operations, sounds buoyant about the prospect. "There are many areas to be covered,"

he says, "and many more viewers eager to watch." That optimism is shared by those at other stations that are either expanding their range—as in the case of nine-year-old Newsworld—or launching more, as CTV's N1 did on Oct. 27. "Canadians have proven themselves to be particularly and sophisticated consumers of information," says Henry Kawalski, vice-president of news operations at CTV. "In fact, on a per capita basis, a higher number of Canadians than Americans tune in to all-news channels. Consumers of all-news

is micro-fragmentation of an already small market," says Jeff Osborne, managing partner with Toronto-based Media Buying Services, a company that works with advertisers in negotiating network airtime and ad costs. Adds Osborne: "The all-news television concept is getting perilously close to obsolescence. It's kind of like going to a magazine rack to get information about a specific issue: no matter how interested you are, there's a limit to how many magazines you'll buy."

Until recently, ratings for all-news television stations were languishing at their most



CTV newsmen discuss ratings, and questions about whether Canadians really want a 24-hour news service

television total to be older—more than half the audience, on average, is over 55 years of age—as well as being educated and more affluent than other viewers. Those last two qualities make them particularly attractive to advertisers. Still, a key question remains: is there a big enough market in Canada to allow all-news stations to generate sufficient revenue to make a profit? Even in peak hours, statistics show that out of 30 million Canadians, the total audience for all-news television stations exceeds 500,000. "What we're facing

now since the Cable News Network (CNN) first began broadcasting in 1980—when it was dismally known by other outlets as the Chicken Noodle Network, MSNBC, the all-news subsidiary at the NBC television network, now carries a slightly audience of as few as 70,000 viewers. All-new stations depend upon big—and usually last—news for good ratings. That means that the best performances for all-news television have included the 1991 Gulf War—when CNN's ratings hit an all-time high of 5.4 million viewers—the O.J.



broadcast Newsworld lead on Feb. 1, ages being that one of his priorities. **CPN 1.** "When we made it onto the air as quickly as that was a miracle in itself," says CTV's Kawalski with a sigh. That emotion is understandable. Kawalski, who became head of CTV's news last spring, had only six months to hire a staff, carve out space at CTV's existing studio in Toronto, and go to air. That took place in the middle of a takeover of CTV by Shaw Broadcasting—which has resulted in an unvarying blend of corporate culture.

So much for the good news. It's not too early to say that this network could face extreme trouble in the future," says Osborne of Media Buying Services. "Their ratings are dismal, and the question is whether Canadians want a 24-hour service." **CPTV.** And, says Vicen Carlin, the director of journalism at Ryerson Polytechnic University and former head of Newsworld, "CTV has great senior journalists, but they're not using them well." Ratings average 0.1 per cent audience share—meaning that during prime time, there are seldom more than 40,000 viewers and often less than a quarter of that.

Among N1's problems are the terms of its CRTC license. It has severe restrictions on the use of live programming and is supposed to operate in a 15-minute "wheel"—meaning that there is little chance to run detailed reports in the hours demanded required every hour. As well, N1 is using new technology that allows news anchors to tape their spots in advance. Editors then cut and reorder these items—a process much like shuffling a deck of cards. The cost saves N1 money in staff costs, but critics say the final product lacks the necessary continuity for a news service, and N1's sales will be held back in advertising stations, says Carlin. "They're not hung up on technology."

Kawalski acknowledges some problems and a defensive side others. On the ratings issue, he says, "By definition, breaking news is something that people only tune into for a few minutes, so it's very hard to rate as by consequence." O'Hanlon, he has been re-aggregating news, trying to find a way to introduce more live coverage of events while staying within the terms of N1's license. And, he promises, "we will see our top-drawer talent wherever possible." That means people such as main news anchor Lloyd Robertson and Ottawa anchor Craig Oliver are likely to appear more often.

CablePulse 24. One of the liveliest masters of mass journalism, the head and founder of highly popular City TV in Toronto, is "think globally, act locally." To that, City TV's vice-president of news, Stephen Hafford, adds his description of how City's all-news operation will present stories: "Main Street news Bay

MEDIA

Street". Although CP24 will not formally launch until March 30, it is now on the air with a preview mix of live programming and other shows. Typically, its fast-paced, high-spirited interactive style will set it far apart from other news stations in Canada and anywhere else. It will have a strong daytime emphasis on business, working in collaboration with *The Financial Post*.

As well, CP24 will be relentlessly regional in focus. For example, coverage of national political stories, says Harriet, "will focus mainly on how they affect Toronto." At any given time, an "enriched" service will offer viewers as many as half a dozen different pieces of information in addition to the main programming carried on about half the screen; other boxes will feature news bulletins, sport scores, traffic and weather conditions, and in daytime, a constant update of market results.

So far, some viewers complain that CP24's screens is dimming to the point of overexposure. But within the TV industry, competitors have a healthy regard for City TV's savvy. "This station is one to watch," says MBS's Gabourie. Predicts Ryerson's Carter: "These guys will give Network the biggest problem in audience share." Several years ago, U.S. television mogul Barry Diller—regarded by many as the industry's shrewdest operator—visited City and met with Zainudeen. Recently, Diller announced a plan to convert some of the American stations he owns to regional all-news vehicles—along similar lines to CP24.

Global, M's CRTC application is successful. Global will enter the regional all-news market with well-calibrated audiences in the Atlantic provinces, Quebec, Saskatchewan, Manitoba and British Columbia. "Ground-level regional news is where the market is going," says vice-president MacDowell. In that regard, Global's approach will be similar to that of City TV. Otherwise, however, it will be much more white-bread and middle-of-the-road in its approach—reflecting the successful range of Global's pre-test news programming. Many of the precise details of Global's plans remain confidential, pending submission of its application to the CRTC, due fall.

For now, the most obvious winners of the all-news sweepstakes are broadcast journalists, many of whom regard the new competition—and job market—with delight. "If you're good, you're never afraid of a little competition," says Moonbridge. "And if there's a lot of competition, that's even better." The same holds true for executives, who can now see more newsgathering rare times and more ways than ever before. "That should be a lot of fun for everybody," says City TV's Harriet. Perhaps, but one key question remains: with so much news to choose from, will Canadian harm or hurt itself in—say—dropping out?

At the TV news peak

Kelly Crichton never planned on being a journalist. When she applied at CTV for a full-time job in 1985, the attraction, she says, "was that they worked a winter, and I thought I was pretty good at that." But she found herself writing blurbs promoting crime shows and comedies, and, frustrated, seized a chance to move to the more fulfilling public affairs show *15*. So, she says, with a self-mocking laugh, "a career was born."

Thirty-three years later, Crichton has reached the pinnacle of Canadian television as the newly appointed executive producer

of *The National*, for both overall content and specific programs. Ratings of *15*—boosted by coverage of the Olympic Games—have gone as high as 1.6 million. Says Crichton: "My short-term mandate is to keep ratings running just the way we've been."

In the long term, some changes are likely. Crichton is known as an activist, with firm ideas of what she wants—and the credentials to implement them. Notes another Peter Mansbridge: "Take a look at Kelly's resume —there isn't a better-qualified person to take over." She has worked as a reporter, assignment editor, run the CBC's London bureau, and produced the investigative program *the fifth estate*. In her personal life, Crichton has been married to Mel Watkins—a retired professor and longtime New Democratic Party activist—since 1971, and has three adult children.

Another reason why change is likely is the CBC's internal politics, which can be as fine-tuning and intriguing to insiders as the stories they cover. *The National*, says one staffer, is "a place where big egos have big dreams—and bigger fights." The program exploded a public relations fissure in January when the CBC ran print ads describing it as "Canada's most-watched news"—a claim made by including viewer totals of two nightly repeats of the program on *Newsworld* (without those, CTV's *newscast* is the leader).

There is also a long tradition of feuds between members of the documentary section of the show—the Magazine—and the team that produces the newscast. In a lament common to news shows, there is grumbling that another Mansbridge will fit too much power. And pretense is spiraling to replace Mansbridge's co-host, Hana Gartner, who appears overly emotional and out of her depth in her job.

But in that cutthroat environment, most expect Crichton, with her clarity but no-nonsense personality, to thrive. "I can't think of a thing Kelly does badly," says Vice Chairman, a former head of *Newsworld* who now runs Ryerson Polytechnic University's journalism program. "Even those who disagree with some of her ideas have to acknowledge she has earned the right to my 4." As she takes over a program that takes huge self-declared pride in its credibility, that may be Crichton's most important quality of all.

ALW-S.



Crichton: The
host/journalistic
job of choice

PHOTOGRAPH BY JEFFREY MCKEE



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Breast cancer and diet

A British study has found evidence that a high-fat diet increases the risk of breast cancer, while American researchers have concluded that a woman's chances of contracting the disease increase with the amount of alcohol consumed. After analyzing data from nearly 1,000 women between the ages of 50 and 65, doctors at the Northfield Institute for Health in Leeds, England, found no significant dietary differences between those with and without breast cancer. "It is unlikely that dietary fat intake has an important influence on breast cancer risk, unless this influence occurs much earlier in life," the researchers observed in the *Journal of Epidemiology and Community Health*. In the U.S. study, reported in the *Journal of the American Medical Association*, an analysis of data from 300,000 women shows that those consuming two to five alcoholic drinks a day run a 48-percent greater risk of getting breast cancer than nondrinkers. Even moderate drinking—shown in other studies to reduce the risk of



CELEBRITY POWER:

Linda Evangelista

Evangelista teamed up with rocker Bryan Adams to throw a fund-raising dinner and concert for the benefit of a new breast cancer testing centre in St. Catharines, Ont. The events raised about \$250,000 for the Evangelista Adams Centre for Breast Screening. The Canadian star met last August at a Los Angeles photo shoot for the cover of a U.S. fundraising CD, *Are You Ready*, featuring Adams, Aaron Neville and Rod Stewart. Adams has also donated all royalties from his song, *Were You Ever Really Loved in Women?* to fight the disease.

heart disease—increased breast cancer risk marginally. Write the study's lead author, Dr. Stephanie Smith Warner of the Harvard School of Public Health: "Women

should consult with their personal physician to evaluate their cardiac and breast cancer risk factors and determine if moderate alcohol consumption is advisable."

Hard hit by the latest flu

Canadians are reeling from a virulent strain of the flu that entered the country in Sydney, N.S., last September. Since then, cases have been confirmed across the country to British Columbia and in wide parts of the United States. The bug has overwhelmed emergency services and H.T. school attendance. Dubbed A Sydney after the Australian city where it originated, the flu typically causes aches, pains, coughs and high fevers lasting three to four days. But

the accompanying fatigue can last a month, and it leaves patients vulnerable to bronchitis, pneumonia and other infections. It is being blamed for more than a dozen deaths in nursing homes in Waterloo and Toronto. Health authorities and A Sydney may also be among the maladies that afflicted athletes at the Nagano Olympics. The bug struck Canada when a cruise ship bound for New York City from Montreal docked in Nova Scotia because of an illness affecting passengers and crew. The 1997-1998 flu vaccine provides no protection against the A Sydney strain.

Doubts about sunscreens

In New York City epidemiologist Dr. Miriam Berwick says a review of 10 studies of the link between sunscreen and skin cancer casts doubt on their ability to prevent the deadly skin cancer. While some specialists dispute her findings and say it is not advisable to stop using sun-blockers, Berwick concludes, "It's not safe to rely on sunscreen." Two of the studies

showed that sunscreens seemed to prevent melanoma and others showed no effects, she reports. But she found no evidence not using sunscreen causes less. The incidence of skin cancer has more than doubled over the past 20 years, even with the use of sunscreens. Then with that protection, Berwick warns, people at high risk of melanoma should not spend long periods in the sun.

Hormones for hunger

In a breakthrough that could affect treatments for those facing rising blood sugar due to diabetes and the condition resulting from cancer or AIDS, U.S. researchers say hunger appears to be triggered by two previously undiscovered hormones. Dr. Michael Yanagisawa of the University of Texas Southwestern Medical Center in Dallas reports in *Cell* magazine that the hormones, named A and C, are released in the region of the brain that controls hunger. Injected into the brains of rats, the hormones caused the animals to eat more. And the level of the hormones increased in the brains when Yanagisawa and his colleagues deprived rats of food. The researchers also identified proteins on nerve endings that act as certain receptors. Now, they say, finding a way to slow or speed up the release of the hormones, or to open or block the receptors, could lead to a new way to control appetite.

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A wired revolution

BY BRIAN BERGMAN

Nursing professor Ellie MacFarlane is a self-confessed "technological klutz," the type of person who finds programming a videocassette recorder a daunting experience. So it was with some trepidation that she learned last year that St. Francis Xavier University, where she has taught for nearly two decades, was about to begin creating the information highway in a big way. Starting last fall, faculty and students in every discipline at St. Francis Xavier, a small residential university set in the rolling hills of northeastern Nova Scotia, were given access to so-called Web@X, which links up all classrooms, faculty offices and student residences to the Internet and other computer-based resources. Technical difficulties aside, MacFarlane had reservations about the costs of the project—cost \$8 million—and how the technology might integrate as her very personal style of teaching. But after five months of exposure to Web@X, MacFarlane has put most of her misgivings behind her. "It's really been a great experience that has opened up some tremendous opportunities," she enthuses.

Web@X connects quickly on the basis of an even more ambitious—and expensive—drive into the world wide web at another small, tightly

Island Nova Scotia campus. Starting in the fall of 1996, Acadia University in Wolfville launched what it dubbed the Acadia Advantage. Under the program, which will include all undergraduates by the year 2000, students are issued identical laptop computers and a sophisticated array of software. They can plug into the system from more than 3,000 ports spread across the campus—at residence, libraries, student lounges and from every seat in every classroom. The goal, explains Acadia president Kelvin Ogle, is "to provide access to the world's information services from the user's preferred location, 24 hours a day." Membership in the cyberclub, though, has its price as well as its privileges: the university spent \$11 million developing its computer infrastructure and students are charged \$4,200 annually on top of the normal tuition fee for the laptop. Acadia is plowing all the money to allow students to keep their laptops after four years of use.

With varying degrees of enthusiasm, universities and colleges across Canada are turning to CD-ROMs, the World Wide Web and video-conferencing to change the way education is delivered. The recently privatized business administration program at Queen's University in Kingston, Ont., already employs state-of-the-art computer technology, as does McGill University's medical faculty in Macdonald. But what sets the two Nova Scotia campuses apart is the way

they have applied the technology to all disciplines—overshadowing the day when philosophy and English majors graduate with the same technological smarts as their counterparts in business and the sciences. Some observers say the Canadian academic establishment has been painfully slow to take on this challenge. "The Acadia and Web@X experiments are quite superb," says David Webb, a professor of law at McGill and former chairman of Ottawa's information highway advisory council. "We see other experiments on more modest scales. But I'm concerned that our faculties of education have not let that resolution. I think we could be more vigorous in taking up these tools quickly."

The potential for technology to radically alter the classroom environment can already be glimpsed on the two Nova Scotia campuses. At St. Francis Xavier, faculty members are now able to bring the resources of the Internet directly into the classroom through a computerized digital camera. But projects like Web@X require overhead screens. During a recent religious studies class, Prof. Barker MacDonald took his students electronically to Jerusalem's Wailing Wall courtesy of a Web site that provides images, updated every 66 seconds, of the faithful praying at the holy shrine. Many instructors are also hard at work developing their own home pages, posting assignments and lecture notes on the Net and even going online "chat groups" in which students continue to discuss topics that have been raised in class.

Even once-proud institutions are under way at Acadia. Many traditional lecture halls have been converted into studio labs where students or available in small groups, laptops at the ready. English students use CD-ROMs on which novelist and poet William Styron and students did the latest stock price for companies they are investigating, and physics students call up video surveillance of equations or phenomena named by their instructors. In such settings, says Ogle, the professor "is now free to move through the classroom as a facilitator of the intellectual dialogue." At the same time, students have been "empowered" because they now possess the same research tools as their teachers and "may, in fact, find out things the professor would never have known."

A brave new world—but not one in which everybody is comfortable. At Acadia University, faculty were on the brink of walking off the job earlier this month—in part because salary increases limited at being told that they must embrace the new technology in their classrooms. "The administration wants us to require every faculty member to use Acadia Advantage," complained faculty association president Jim Saccomano shortly after his membership voted 91 per cent in favor of a strike. "We're trying to use it creatively, but the only way to do that is to have it imposed upon us." In the end, the two sides agreed to a new 30-month contract, ratified last week, which does not require faculty members to use Acadia Advantage.

At St. Francis Xavier, university president Sean Riley has tried to ward off similar strife by building in many incentives as possible to convince skeptical faculty members to take advantage of the new technology. One popular measure was his decision to hire a small army of about 100 computer-literate student interns who meet individually with faculty members on a weekly basis. The interns, who

are each paid an annual stipend of \$1,000, help guide their elders through the trickiest corners of the world wide web. The 55-year-old MacFarlane retains the services of 16-year-old Sam Macdonald, who has been using computers since he was a toddler. "She flips through this stuff like I used to flip through a comic book," marvels MacFarlane. "It's like I'm the student again and she's the teacher."

Some pundits say it is Macdonald's generation which will pose the driving force behind the technorvolution. Toronto-based cash management guru Don Tapscott, author of the recently published

Growing Up Digital, points out that the students now entering university are part of a generation "bathed in bytes," for whom surfing the Net is "like breathing air." By contrast, he says, many faculty members and university administrators see computers as a threat to a centuries-old tradition of pedagogy. "There's great irony in this," adds Tapscott. "It's not technology that's the threat; it's the status quo. If the universities don't change at themselves, they will be replaced."

In fact, even some of the students who are embracing the new technology stand to receive misgivings. St. Francis Xavier English professor Philip Miller notes that "students are entering a world where, whatever else they are going to do, it is also going to relate to computers." Recognizing that, Miller incorporated on-line discussion groups into his literature and creative writing courses. As well, students in a course he teaches on novels that have been turned into movies are asked to write "so their essays in the form of CD-ROM presentations. For all of that, Miller, a 25-year teaching veteran, has some qualms about where technology is taking higher education. "My students are not the same as the students of my students," he says. "They like to sit, and not eat, and they like to look at the books, and we know it and love it, is on the wane."

In another corner of the St. Francis Xavier campus, mathematics graduate Charlie Galloway exhibits a similar ambivalence. Thanks to Web@X, he can instantly provide overhead digital projections of graphs that previously would have taken him several hours to plot manually. Students can then concentrate on the task at hand: analyzing and interpreting the data. And because computer cameras are all on the campus network, any cameras can work with their own. Still, Galloway expresses some concern that, when he goes an academic year from now, his classes will need to search for students on the Internet. "These days," he says, "if you enter a problem on the Net, by the next morning someone will have solved it. I like the challenge that you need to do your own 'mathematique' [mathematics]."

McGill University's Johnson—who continues to serve as a special adviser on information technology to the federal industry minister, John Manley—acknowledges there are some obvious pitfalls along the electronic highway. "We need to recognize the limitations as well as the strengths of computers," he says. "They will never, for example, replace critical thinking." That said, Johnson argues "we've been so slow to recognize that this technology is as important as Gutenberg's printing press"—a 15th-century innovation that helped usher in the industrial era. And when it comes to the latest technorvolution, he suggests, universities should be in the front lines, not fighting a rearguard action.



Galloway: "Technology is your Amazons."



Allan Fotheringham

Auctioning the royal remnants of a wasted life

It's hard, pathetically hard, to sift over clothes, Lefther sheets, folded books, folded letters, Lefther memories.

This is at York and 72nd on Manhattan's Upper East Side. The entire three floors of Sotheby's, the world's most famous auction house, now the home for nine days of the detritus of a wasted life, the weak Duke of Windsor and his destructive wife, the late of Blue Badge Sunnifit, Pa.

It is, for historical reasons, the cause of the hordes now queuing at Buckingham Palace, an aging Queen waiting to will the crown to her confound and unemployed son, but unable to do so because of the precedent set by her charming relative who put pleasure above work.

It is a reminder, to this weakened country called Canada, why it's a long, good time to get out of the first rule called monarchy, as a much younger Australia is doing.

At Sotheby's, there are 40,000 items that spell out decadence—and the warts that still exist through an outmoded Royal Family who can cry for the death of the official yacht but not for a dead princess.

They are put up for auction here by the lossthame Mohamed Al Fayed, who bought all the Paris possessions of the Duke of Windsor in hopes of sucking up to the British Establishment, which denies him a passport even as he owns Harrods. Mainly because a British government commission ruled he is a lousy, well, he's not really a prince.

As an article so transparent as to be cliché, he is donning the proceeds of this necropolis to a charitable foundation set up in the name of his son Dodi, who, as we know, expired with the Princess of Wales last August because he was stupid as to have a drink as a chauffeur.

In the library, there is the biography of George S. Patton, the egomaniac American general. There is a book on Nelly Cheshire Bluman. There is a book on Fidel Castro. Interesting. There is *Getting Off Wine*—either intriguing in light of the long-murdered gossip about the charming son's ill-folio-



with appearance—resulting in his being shipped in exile to a fake role in the Bahamas after he fled the throne.

There is *Dow Remake, Vol. II*. Quite appropriate. And, best of all, *The Queen & Her Ecclesiastic*—a biography of his life.

On the first night of the auction, one Brigitte Yer paid \$10,000 (U.S.) for a nonconformist-square piece of the wedding cake. That was \$25,000 more than Sotheby's gave for the cake, and its self-enclosed box. The box, if you must know, was either dirty—understandable, one supposes, since it is 81 years old—or

The Australians, who have more balls than Canadians do, have just voted through a constitutional convention that they have recommended to the government a national referendum on changing the dysfunctional family that loves—*but*—it is doomed.

The Aussies, a majority now voting as never known, are determined that at the opening of the Olympic Games in Sydney in 2000, a real citizen of the country will stand on the platform on opening day and decide the Commonwealth way—not some lady, no sir made up, who lives in a castle a world away.

Once they do that, chuckin' Canada will follow.

It will, in fact, entitle the good Queen Becca, who wants out of it as much as we do. She is 71, and tired, and left for her son who—despite a 79-year-old Queen Mum's protests—will be 75 before he ever gets the throne. And the poor old Willy will be an amateur, crippled from rugby, before he ever sees the purple.

The second Queen Becca, as her royal courtiers tell hot mad things in there until death because her weak male son set a precedent that cannot be repeated—if you get tree'd or buried with the job, you push it. Which destroys the whole myth of the monarchy. The king is dead, long live the king!

The weak character almost succeeded in destroying the chata of mythology. Born in 1894, he was 43 before he married—a rare sign of a doltish, who doctored and bedded around the world. His nice man came on to her pillow, knowing he tossed the crown to her instead, snattering father who was the heart of Londoners when he stubbornly stuck in Buckingham Palace when Hitler tried to bomb the East End population of London into submission and he would see their wrecked tenements in the morning.

This is truly a pathetic exhibition. There are the gloves of Diana Simpson on display, perhaps \$30 or so. There are her sunglasses, 1950s-style sunglasses Riviera-style, that are very close to the glam stuff you see in the stores today for the teeny teenagers.

It is really necrophilia. The wimpy. But who can't make it into English society trying to get some credibility by lugging off these sad remnants of another era, aware with Sotheby's type mad, "a bunch of狗holes with more money than brains."

It's about time Canada got out of that nonsense. Too bad we don't have leathers who have the guts to do so.

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